



TAYLOR
WALKER
CONSULTING ACTUARIES

September 23, 2020

Kentucky Workers' Compensation Funding Commission
Board of Directors
42 Mill Creek Park
Frankfort, Kentucky 40601

Dear Board of Directors:

We completed the requested actuarial study for the Kentucky Workers' Compensation Funding Commission as of June 30, 2020. The enclosed report contains our findings and detailed discussions of the analyses.

If we can be of further assistance, or if you have any questions or comments regarding our results, please contact us. We appreciate the opportunity to provide actuarial services to the Kentucky Workers' Compensation Funding Commission and look forward to continuing our relationship.

Thank you for your consideration,

TAYLOR-WALKER CONSULTING, LLC


Solomon L. Frazier, FSA, FCAS, MAAA
Senior Consulting Actuary


Brent M. Sallay, FCAS, MAAA
Senior Consulting Actuary

SLF/bms

Enclosure

Kentucky Workers Compensation Funding Commission Actuarial Study

OVERVIEW

We were requested by the Kentucky Workers Compensation Funding Commission (KWCFC) to conduct an actuarial study of the Special Fund (SF), the Uninsured Employers' Fund (UEF), and the Coal Workers Pneumoconiosis Fund (CWPF) to evaluate the liabilities, both discounted and undiscounted, as of June 30, 2020 and determine the appropriate assessment rates for the funds. Our results and analyses are summarized and explained in this report. All calculations are presented in the exhibits which are included as part of this report.

LIMITATIONS AND CONDITIONS

Our analysis is based on generally accepted actuarial methods and includes the use of such actuarial assumptions and calculations as we considered necessary. Our estimates make no provision for the extraordinary future emergence of either new classes of losses or post-contractual expansions of policy coverage. Due to the variability inherent in the estimation procedure, actual results may vary, perhaps substantially, from those indicated in our analysis.

KWCFC and Kentucky Employers' Mutual Insurance (KEMI) provided us with claims data, premium data, assessment data, investment income data, and administrative expense data. We accepted these data without audit, but reviewed them for reasonableness and consistency. To the extent that any of these data might be found to be materially in error, our results could similarly be in error.

Our analyses were performed based on the Kentucky workers compensation laws as they are currently written, perhaps the most significant of which is the sunset date for the SF of December 31, 2029. Any significant changes to this law or any other relevant law in the future could materially impact the results of our analysis.

We understand that the SF may attempt to settle some of the outstanding claims. To the extent that it is able to settle the claims at less than the actuarial present value, our estimates will prove to have been conservative.

The claims data provided for our analysis have certain limitations which cause our results to be subject to more variability than they might otherwise. These limitations are as follows:

- Claims data for the SF were provided individually for each claimant. However, for many of the records, certain information was missing such as marital status or the number of dependents. We had to make assumptions regarding these missing items. These assumptions were as follows:

- The gender was not specified for many of the claimants in the database. However, we were generally able to make educated guesses as to the applicable gender for each claimant based on the name listed in the database. We do not expect any incorrect gender identification to have a material impact on the results of our analysis.
- The marital status and number of dependents were often not available for the claimants. For purposes of analysis, we assumed that all claimants were married, but had no additional dependents. We consider this to be a slightly conservative assumption, but do not expect it to materially impact the results of our analysis.
- Based on our review of the pay schedule provided for SF claims, most of the payment start dates, payment end dates, and benefit amounts already reflect the method, timing, and amount of the attorney recoupment fees. To the extent that these fees are not reflected in the database for certain records, our results will be slightly conservative.
- Meaningful claims data for the UEF were only available for each fiscal year in total. Thus, we had to make some assumptions in order to allocate these data to UEF incurred year in order to evaluate the liability as of June 30, 2020.

SUMMARY

Some of the key findings of our analyses are summarized as follows:

Special Fund

The point estimate liability for the SF as of June 30, 2020, assuming static mortality, is summarized in the table below:

Segment	Undiscounted Liability	Percent of Total	Discounted Liability	Open Claims
PP OD Coal	\$ 5,628,720	0.94%		75
PT OD Coal	\$ 74,048,564	12.34%		681
PP Trauma Coal	\$ 27,239,099	4.54%		421
PT Trauma Coal	\$222,920,795	37.15%		1,380
PP OD Non-Coal	\$ 297,951	0.05%		3
PT OD Non-Coal	\$ 3,393,362	0.57%		49
PP Trauma Non-Coal	\$ 36,482,886	6.08%		831
PT Trauma Non-Coal	\$229,970,573	38.33%		2,079
Total	\$599,981,950	100.00%	\$441,046,556	5,519

Note: The point estimate discount rate is 3.25%. Also, open claim counts that cannot be wholly attributed to either trauma or occupational disease have been proportionately allocated to these two categories.

The liabilities as of June 30, 2020 discounted at various rates, while holding all other assumptions at their point estimate values, are summarized in the table below:

Discount Rate	Liability
0.0%	\$599,981,950
1.0%	\$541,644,948
2.0%	\$492,423,080
3.0%	\$450,539,504
3.25%	\$441,046,556
4.0%	\$414,616,628
5.0%	\$383,576,638
6.0%	\$356,568,885

The assessment rates assuming static mortality under point, optimistic, and pessimistic scenarios are summarized in the table below:

Scenario	Assessment Rate
Point	7.02%
Optimistic	5.92%
Pessimistic	8.47%

The point estimate assessment rate derived in the prior year was 6.46%. The increase in the assessment rate from the prior year was primarily driven by a decrease in the projected future workers compensation insurance premiums—to which the assessment rates are applied—as a result of COVID-19, as well as a decrease in anticipated reinvestment yields from the prior year.

The assessment rates under static and generational scenarios, while holding all other assumptions at their point estimate values, are summarized in the table below:

Scenario	Assessment Rate
Static	7.02%
Generational	7.17%

The assessment rates under alternate long-term reinvestment yield scenarios, while holding all other assumptions at their point estimate values, are summarized in the table below:

Scenario	Assessment Rate
2.5%	7.13%
3.0%	7.02%
3.5%	6.89%

The assessment rates under alternate administrative expense growth scenarios, while holding all other assumptions at their point estimate values, are summarized in the table below:

Scenario	Assessment Rate
1%	6.83%
2%	7.02%
3%	7.19%

The assessment rates under alternate premium growth scenarios, while holding all other assumptions at their point estimate values, are summarized in the table below:

Scenario	Assessment Rate
Point	7.02%
Optimistic	6.20%
Pessimistic	7.95%

The assessment rates under alternate UEF liability scenarios, while holding all other assumptions at their point estimate values, are summarized in the table below:

Scenario	Assessment Rate
Point	7.02%
Optimistic	6.93%
Pessimistic	7.09%

Uninsured Employers' Fund

The liabilities for the UEF as of June 30, 2020 discounted at various rates, while holding all other assumptions at their point estimate values, are summarized in the table below:

Discount Rate	Liability
0.0%	\$123,704,032
1.0%	\$110,783,877
2.0%	\$ 99,926,669
3.0%	\$ 90,725,787
3.25%	\$ 88,645,774
4.0%	\$ 82,866,061
5.0%	\$ 76,101,243
6.0%	\$ 70,237,419

*Note: These amounts include claims incurred after June 30, 2020.
 Liabilities for claims incurred through June 30, 2020 are \$45,291,046
 and \$35,492,701, for 0.0% and 3.25% scenarios, respectively.*

Coal Workers Pneumoconiosis Fund

The point estimate liability for the CWPF as of June 30, 2020 is summarized in the table below:

Segment	Undiscounted Liability	Percent of Total	Discounted Liability	Open Claims
PP	\$18,556,604	87.8%	\$16,919,028	430
PT	\$ 2,561,266	12.1%	\$ 2,138,774	12
RIB	\$ 17,070	0.1%	\$ 16,952	8
Lump Sum	\$ 0	0.0%	\$ 0	0
Total	\$21,134,940	100.0%	\$19,074,754	450

Note: The point estimate discount rate is 2.25%.

The asset surplus as of June 30, 2020 is summarized in the table below:

Undiscounted Surplus	Discounted Surplus
\$18,987,820	\$21,048,006

Note: The surplus amounts are reduced for refunds payable yet to be audited of \$1,939,595.

BACKGROUND

The KWCFC was created by the 1987 Extraordinary Session of the Kentucky General Assembly to control the funds used to pay claims awarded through the SF, UEF, and CWPF, and to finance administrative costs associated with the state's workers compensation program and with specific Labor Department programs. The KWCFC has engaged Conning to manage the investments within the funds.

Prior to the December 1996 Extraordinary Session of the General Assembly, the Special Fund served as Kentucky's second injury fund. It paid a portion of certain occupational injury claims as well as occupational disease claims. The outstanding liability of the SF is financed through assessments on employers' workers compensation insurance premiums and simulated premiums for self-insured employers. The rates of assessment are established annually at levels which will produce enough revenue to amortize on a "level basis" the unfunded liability of the SF with assessments through the mandated sunset date of December 31, 2029. The SF has no liability for claims if the date of injury or last exposure occurred after December 12, 1996.

The UEF pays workers compensation claims when the employer has failed to secure payment for statutory workers compensation claims. The UEF is funded by the SF. We understand that the UEF typically becomes responsible for claims within a year or two of each claim actually being incurred. The liability held for the UEF is based on the date that the UEF becomes responsible and not the incurred date of the underlying claims.

The CWPF has one-half of the claims liability for income benefits, including retraining benefits for CWP claims with last exposure incurred on or after the effective date of the fund of December 12, 1996. The CWPF benefit liability may exceed one-half for claims with last exposure prior to July 15, 2002 as a result of legislative reform during 2002. The 2002 reform also lowered the CWP award qualification criteria, increased benefits, and placed additional administrative and vocational training liability on the CWPF. The claims liability and administrative cost of the CWPF is funded by assessments levied on workers compensation premiums of employers, and simulated premiums for self-insured employers, engaged in the severance or processing of coal. Additional funds are also generated by an assessment imposed upon the total annual amount of tons of coal severed by entities engaged in the severance of coal. As of June 30, 2020, the CWPF is fully funded, and as a result, the assessment rate is currently 0.0%. Accordingly, Senate Bill 263 was signed into law early in 2020, instructing the CWPF to return excess assessments to Kentucky coal companies. However, we note that the CWPF is still receiving some relatively small amounts of quarterly assessments related to years when assessments were being charged. Finally, it is expected that the historical assessment amounts, related to calendar years 2017 through 2019, will be audited later in 2020, resulting in audit refunds of \$1,939,595.

Benefit payments made by the funds are often reduced for any applicable attorney fees. The attorney fees are typically recouped in one of three ways: 1) paid out of pocket by the claimant; 2) a hole in the benefit stream prior to the claimant reaching his or her life expectancy; or 3) installments deducted from bi-weekly benefit payments.

During 2017, House Bill 377 was passed, which closed the CWPF effective July 1, 2017 to any CWP claims filed after June 30, 2017, and which had the assets and liabilities of the CWPF transferred through a loss portfolio transfer agreement to KEMI.

During 2018, House Bill 2 was passed that, among other things, extended the time period in which income benefits will terminate. Previously, since December 12, 1996, benefits were terminated based on Social Security eligibility, but under this bill, income benefits will terminate either when the employee reaches age 70, or four years after the injury or last exposure, whichever occurs last. The bill states that the law applies retroactively to claims for injuries or last exposure on or after December 12, 1996, and that are not yet final, are on appeal, or which could still be appealed. However, currently under appeal is whether or not future dependent benefits after the death of an injured worker constitute a new claim, thus being subject to the new age cutoff under House Bill 2.

ANALYSIS

We estimated the liabilities for each fund prior to estimating the assessment rates for the funds. The determination of the liabilities for each of the funds was performed separately. The assessment analyses for the SF and UEF were performed using point, pessimistic, and optimistic assumptions. In addition, the SF and UEF liabilities were discounted using various additional interest rate scenarios as discussed with the KWCFC.

Special Fund Liability Analysis

The KWCFC provided a benefit pay schedule for each claimant covered by the SF. This information contained weekly benefit rates, benefit start and end dates, gender, dependent information, etc. that allowed us to project the bi-weekly benefits for each claimant. We utilized the 1994 GAR mortality table to estimate the likelihood that the various payments will be received by the claimants and their dependents. This mortality table was used on both a static (at a 2020 level) and generational basis to analyze the impacts that this change in assumption has on the liability results. The bi-weekly benefits, after being subjected to the mortality tables, were summed up across each future calendar year. The total of all these amounts equals the undiscounted liability as of June 30, 2020. These results are summarized in Exhibit 2, segmented into various groupings as requested by the KWCFC.

Projected payments in each future calendar year were multiplied by a discount factor and then summed to determine the total discounted liability as of June 30, 2020. These results are summarized in various sheets in Exhibit 1.1. The discount factors were based on the various discount rate scenarios, as discussed with the KWCFC, assuming mid-year payments for each claim. Our point estimate discount rate was set equal to the rate that, when applied to current assets, fully funds the future cash flows of the SF.

Based on our discussions with the KWCFC and other information provided, we understand that there have been no claim re-openings (other than dependent claims) or IBNR claims over the past year, and that these types of claims have been minimal in

prior years as well. Thus, we assumed any liabilities associated with claim re-openings or IBNR are \$0.

Uninsured Employers' Fund Liability Analysis

The UEF liability analysis is shown in Exhibit 3. The KWCFC provided fiscal-year claim payments for the UEF. Claims data were not available by either claim-incurred year or the year in which the UEF became responsible for each claim. Thus, in order to estimate the liability, we had to allocate the fiscal-year claim payments to our best estimate of the year in which the UEF became responsible, i.e. the UEF year.

The first step of this analysis was to derive a UEF-year payment pattern. To do this, we relied on the most recent Kentucky-specific NCCI paid development pattern and shifted it to account for the approximate one- to two-year lag until the UEF becomes responsible for a given claim. After selecting this pattern, we determined the percentage of fiscal-year claim payments that relates to each UEF year. These percentages were then adjusted for inflation and normalized to account for the inflationary impacts to claim payments across years.

The adjusted percentages were applied to the historical fiscal-year claim payments to estimate the claim payments by UEF year. These UEF-year claim payments were then divided by the applicable paid percentage from the selected UEF-year payment pattern to estimate ultimate losses for historical UEF years. Ultimate losses for future UEF years were then determined by applying selected growth rates to the 2020 UEF-year ultimate losses.

Finally, we projected claim payments for future fiscal years using the UEF-year ultimate loss estimates and the selected UEF-year payment pattern. Summing the future fiscal-year claim payments then yields the estimated liability as of June 30, 2020. Note that this liability includes future incurred claims and thus the true liability for incurred claims as of June 30, 2020 was estimated by excluding incurred claims after June 30, 2020.

Various assumptions were utilized in this analysis. These assumptions were selected based on discussions with the KWCFC and are as follows:

- An inflation rate of 3%
- Growth rates of 3%, 1%, and 5% in point, optimistic, and pessimistic scenarios, respectively.
- The UEF becoming responsible for claims within one or two years of the time they are actually incurred.
- While this fund technically does not have a sunset date like the SF, for practical purposes, we assumed that the same sunset date that applies to the SF applies

to the UEF. We did this because without a sunset date, the estimated assessment rate described later in this report would be undefined.

Coal Workers Pneumoconiosis Fund Liability Analysis

KEMI provided a benefit pay schedule for each claimant covered by the CWPF. This information contained weekly benefit rates, benefit start and end dates, gender, dependent information, etc. that allowed us to project the bi-weekly benefits for each claimant. We utilized the 1994 GAR mortality table to estimate the likelihood that the various payments are received by the claimants and their dependents. This mortality table was on a static (at a 2020 level) basis. The bi-weekly benefits, after being subjected to the mortality tables, were summed up across each future calendar year. The total of all these amounts equals the undiscounted liability as of June 30, 2020. Projected payments in each future calendar year were then multiplied by a discount factor and summed to determine the discounted liability as of June 30, 2020. The discount factors were based on the assumed discount rate and assumed mid-year payments for each claim. The discount rate was equal to the assumed investment rate on assets of 2.25%, as provided by Conning. The results of this analysis are summarized in Exhibit 4, Sheet 3, segmented into various groupings as requested by the KWCFC.

Based on our discussions with the KEMI and other information provided, we understand that there have been no claim re-openings (other than dependent claims) or IBNR claims over the past year, and that these types of claims have historically been minimal as well. Thus, we assumed any liabilities associated with claim re-openings or IBNR are \$0.

Special Fund Assessment Analysis

The analysis of the SF assessments (including the UEF) is shown in Exhibit 1. The assessment rates were determined by setting the current assets plus fund inflows equal to the fund outflows over the remaining period of benefit payments. The inflows consist of assessments and investment income and the outflows consist of benefit payments and administrative expenses. The cash flows were analyzed on a calendar-year basis to determine the asset balance at the beginning and end of each year.

We understand that the invested assets of the SF are largely held in fixed-income securities with scheduled maturity values. Thus, Conning was able to provide the maturity values and timing of the invested funds. We assumed that no invested assets will be sold prior to maturity of the investment. Conning also provided reinvestment assumptions for the assets after the SF reaches maturity with its current profile of investments.

The benefit payments for each year were taken from the liability analysis described previously. 2020 administrative expenses were selected based on historical administrative expenses trended to a 2020 level. Administrative expenses in

subsequent years were determined by applying selected trend rates to the 2020 administrative expenses.

The assessment rates are a percentage of employers' workers compensation insurance premiums and simulated premiums for self-insured employers. Thus, we had to project the premiums for future years through 2029. This required a projection of payroll and loss cost trends over this period, which were then applied to the 2019 premium amounts.

After projecting investments, fund outflows, and projected insurance premiums, we selected the assessment rate that results in an asset balance of \$0 at the point that all claim benefit payments have been paid.

Various assumptions were utilized in this analysis. These assumptions were generally selected based on discussions with the KWCFC and Conning, and are as follows:

- Expense trend rates of 2%, 1%, and 3% in point, optimistic, and pessimistic scenarios, respectively.
- A short-term reinvestment yield rate (through 2021) of 0.15% and long-term reinvestment yield rates of 3%, 3.5%, and 2.5% in point, optimistic, and pessimistic scenarios respectively.
- Payroll trend rates as follows:

Calendar Year	Point	Optimistic	Pessimistic
2020	-1.29%	0.00%	-2.50%
2021	5.29%	6.00%	4.00%
2022	4.00%	5.00%	3.00%
2023	2.50%	3.00%	2.00%
2024	2.50%	3.00%	2.00%
2025	2.50%	3.00%	2.00%
2026	2.50%	3.00%	2.00%
2027	2.50%	3.00%	2.00%
2028	2.50%	3.00%	2.00%
2029	2.50%	3.00%	2.00%

The point-estimate assumptions through mid-year 2022 were provided by the Governor's Office for Economic Analysis. All other assumptions were selected based on discussions with the KWCFC.

- Loss cost trend rates as follows:

Calendar Year	Point	Optimistic	Pessimistic
2020	-9.00%	-10.00%	-8.00%
2021	-7.00%	-8.00%	-6.00%
2022	-5.00%	-6.00%	-4.00%
2023	-3.00%	-4.00%	-2.00%
2024	-3.00%	-4.00%	-2.00%
2025	-3.00%	-4.00%	-2.00%
2026	-3.00%	-4.00%	-2.00%
2027	-3.00%	-4.00%	-2.00%
2028	-3.00%	-4.00%	-2.00%
2029	-3.00%	-4.00%	-2.00%

- As a result of the current pandemic, it is expected that the workers compensation industry will see sizable reductions in premiums. Based on our discussions with the KWCFC and KEMI, largely, these reductions in premiums have yet to significantly affect insurance carriers, as many of the impacted policies have not yet been audited. Thus, we incorporated a judgmental COVID-19 audit impact to address this expected decrease, based on our discussions with the KWCFC and KEMI. The projected COVID-19 audit impacts are as follows:

Calendar Year	Point	Optimistic	Pessimistic
2020	-2.00%	-1.00%	-3.00%
2021	-5.50%	-4.00%	-7.00%
2022	0.00%	0.00%	0.00%
2023	0.00%	0.00%	0.00%
2024	0.00%	0.00%	0.00%
2025	0.00%	0.00%	0.00%
2026	0.00%	0.00%	0.00%
2027	0.00%	0.00%	0.00%
2028	0.00%	0.00%	0.00%
2029	0.00%	0.00%	0.00%

- Assessments are assumed to be received quarterly, 30 days after the close of each quarter. Based on data provided by the KWCFC, assessments are assumed to be received 26.5%, 21.75%, 28.5%, and 23.25% in each of the four quarters, respectively.

Coal Workers Pneumoconiosis Fund Assessment Analysis

The CWPF assessment analysis is shown in Exhibit 4, Sheet 2. The assets in the CWPF are at such a level that it is clear that no future assessments are needed to fund future benefit payments. Thus, our analysis consisted of projecting the fund balance to

the point where all future benefit payments will have been made. We note that we did not include administrative expenses in this analysis, based on the guidance of the KWCFC and KEMI, as there is a side fund set up to cover these expenses. Thus, the projection of the fund balance consisted only of estimating future investment income and future claim payments, with an additional reduction in the fund balance for the anticipated assessment audit refunds of \$1,939,595. Future investment income was projected by assuming that assets earn a 2.25% yield, as suggested by Conning. The projected future claim payments were taken directly from the liability analysis described previously.

The current asset balance along with the liabilities and surplus amounts are shown in Exhibit 4, Sheet 1. The surplus amounts represent the recommended refund amounts as of June 30, 2020. We note that our analysis does not consider the small amounts of additional assessments that continue to trickle in. These assessments are very difficult, if not impossible, to project. Thus, we did not attempt to project these amounts, which adds some conservatism to our results. Finally, the surplus amounts in Exhibit 4, Sheet 1 were reduced for the anticipated assessment audit refunds of \$1,939,595.

CONCLUSION

In conclusion, we recommend adoption of the assessment rates, liability amounts, and CWPF refund amounts that were estimated using the various point estimate assumptions, as previously described.

The attached exhibits provide additional detailed support of the actuarial analyses and results. We are available to answer any questions regarding the analyses and underlying assumptions.

**Kentucky Workers Compensation Funding Commission
Special Fund
Projected Asset Balance - Point Estimate**

**Exhibit 1.1
Sheet 1**

Calendar Year	Beginning Liquid Asset Balance	Reinvestment Yield			Expense Growth		
		Contribution Rate		Short-Term	0.15%	Expense	Growth
		7.02%		Long-Term	3.00%		2%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
2020	9,698,367	33,517,882	23,092,799	16,450,000	22,353,708	13,397	26,040,555
2021	26,040,555	63,802,763	45,110,794	33,392,276	33,090,660	52,854	44,483,762
2022	44,483,762	62,051,031	43,531,240	34,060,122	17,888,196	1,369,731	48,201,358
2023	48,201,358	61,603,231	42,174,329	34,741,324	28,089,451	1,637,696	62,616,083
2024	62,616,083	61,249,013	40,712,463	35,436,151	13,803,523	1,862,041	63,382,046
2025	63,382,046	60,896,831	39,399,775	36,144,874	35,561,736	2,215,170	86,511,133
2026	86,511,133	60,546,674	38,217,927	36,867,771	25,289,307	2,756,588	100,018,005
2027	100,018,005	60,198,531	36,954,071	37,605,127	18,894,149	3,068,542	107,620,030
2028	107,620,030	59,852,389	35,672,697	38,357,229	52,262,906	3,799,881	149,505,281
2029	149,505,281	59,508,238	34,365,977	39,124,374	11,597,356	4,449,387	151,569,911
2030	151,569,911	13,817,087	31,405,437		39,967,031	4,882,778	178,831,370
2031	178,831,370		30,154,297		34,433,675	5,429,132	188,539,879
2032	188,539,879		27,337,380		2,001,275	5,276,155	168,479,929
2033	168,479,929		25,444,175		14,398,633	4,888,715	162,323,101
2034	162,323,101		23,723,537		5,765,771	4,600,327	148,965,662
2035	148,965,662		21,988,987		3,835,928	4,196,674	135,009,277
2036	135,009,277		20,346,123		2,242,706	3,778,727	120,684,587
2037	120,684,587		18,777,285		1,729,494	3,364,821	107,001,617
2038	107,001,617		17,260,221		4,266,231	3,015,139	97,022,766
2039	97,022,766		15,792,732		661,358	2,683,712	84,575,104
2040	84,575,104		14,393,538		645,532	2,331,033	73,158,131
2041	73,158,131		13,045,905		700,500	2,009,563	62,822,290
2042	62,822,290		12,119,526		405,537	1,708,959	52,817,259
2043	52,817,259		10,515,029		1,189,627	1,444,637	44,936,494
2044	44,936,494		9,364,687		346,088	1,212,816	37,130,711
2045	37,130,711		8,292,258		341,653	994,662	30,174,769
2046	30,174,769		7,289,719		338,794	800,979	24,024,822
2047	24,024,822		6,372,977		1,734,900	651,174	20,037,919
2048	20,037,919		5,526,067		2,024,777	548,618	17,085,248
2049	17,085,248		4,750,985		3,025,528	486,676	15,846,466
2050	15,846,466		4,042,080		1,071,405	430,834	13,306,625
2051	13,306,625		3,405,005		1,552,500	371,411	11,825,531
2052	11,825,531		2,835,272		0	312,237	9,302,495
2053	9,302,495		2,389,794		0	243,228	7,155,930
2054	7,155,930		1,888,511		0	186,350	5,453,769
2055	5,453,769		1,508,380		0	140,987	4,086,376
2056	4,086,376		1,178,987		0	104,906	3,012,295
2057	3,012,295		886,005		0	77,079	2,203,370
2058	2,203,370		634,193		0	56,588	1,625,765
2059	1,625,765		448,108		0	42,051	1,219,708
2060	1,219,708		343,799		0	31,434	907,343
2061	907,343		261,016		0	23,305	669,633
2062	669,633		196,191		0	17,146	490,588
2063	490,588		146,041		0	12,527	357,073
2064	357,073		111,189		0	9,044	254,929
2065	254,929		77,731		0	6,482	183,680
2066	183,680		56,339		0	4,665	132,006
2067	132,006		40,549		0	3,352	94,809
2068	94,809		29,007		0	2,409	68,211
2069	68,211		20,660		0	1,736	49,287

**Kentucky Workers Compensation Funding Commission
Special Fund
Projected Asset Balance - Point Estimate**

**Exhibit 1.1
Sheet 1**

Calendar Year	Beginning Liquid Asset Balance	Reinvestment Yield			Expense Growth		
		Contribution Rate		Short-Term	0.15%	Expense	Growth
		7.02%		Long-Term	3.00%		2%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
	Beginning						Ending
	Liquid						Liquid
	Asset	Contributions	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Investment Income	Asset Balance
2070	49,287		14,686		0	1,258	35,860
2071	35,860		10,450		0	919	26,330
2072	26,330		7,469		0	678	19,539
2073	19,539		5,383		0	505	14,662
2074	14,662		3,929		0	381	11,114
2075	11,114		2,913		0	290	8,490
2076	8,490		2,269		0	221	6,442
2077	6,442		1,666		0	168	4,944
2078	4,944		1,292		0	129	3,781
2079	3,781		1,011		0	98	2,869
2080	2,869		792		0	74	2,151
2081	2,151		619		0	55	1,588
2082	1,588		479		0	40	1,149
2083	1,149		365		0	29	813
2084	813		273		0	20	559
2085	559		201		0	14	372
2086	372		144		0	9	237
2087	237		104		0	6	138
2088	138		68		0	3	73
2089	73		45		0	2	29
2090	29		29		0	0	0

Notes: 2020 represents only the second half of the year.

- (1) First row provided by client.
- Subsequent rows are equal to (6) prior.
- (2) Contribution rate multiplied by premiums in Sheet 3 with an assumed lag for receipt of contributions.
- (3) From Sheet 2.
- (4) 2020 from Sheet 4. Future years equal 2020 figure times trend factor.
- (5) Provided by client.
- (6) = [(1) + (2)/2 - (3)/2 - (4)/2 + (5)/2] x Reinvestment Yield.
- (7) = (1) + (2) + (6) - (3) - (4)

Kentucky Workers Compensation Funding Commission
Special Fund
Projected Payments and Liability as of June 30, 2020 - Point Estimate

**Exhibit 1.1
Sheet 2**

Discount Rate
3.25%

(1)	(2)	(3)	(4)	(5)	(6)
-----	-----	-----	-----	-----	-----

Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments
2020	20,309,668	2,783,131	0.9920	20,147,924	2,760,967	22,908,890
2021	39,349,424	5,761,370	0.9685	38,110,822	5,580,019	43,690,842
2022	37,557,398	5,973,842	0.9380	35,230,222	5,603,684	40,833,905
2023	35,993,134	6,181,196	0.9085	32,700,130	5,615,679	38,315,809
2024	34,326,754	6,385,709	0.8799	30,204,559	5,618,869	35,823,427
2025	32,806,026	6,593,750	0.8522	27,957,821	5,619,299	33,577,120
2026	31,413,196	6,804,730	0.8254	25,928,164	5,616,562	31,544,726
2027	29,936,509	7,017,563	0.7994	23,931,544	5,609,910	29,541,454
2028	28,438,274	7,234,423	0.7742	22,018,247	5,601,230	27,619,478
2029	26,908,352	7,457,625	0.7499	20,177,927	5,592,294	25,770,222
2030	25,380,175	6,025,261	0.7263	18,432,915	4,375,980	22,808,894
2031	24,864,512	5,289,786	0.7034	17,489,978	3,720,895	21,210,873
2032	22,609,022	4,728,359	0.6813	15,402,849	3,221,289	18,624,138
2033	21,198,566	4,245,609	0.6598	13,987,359	2,801,362	16,788,720
2034	19,831,264	3,892,274	0.6391	12,673,295	2,487,382	15,160,677
2035	18,411,913	3,577,074	0.6189	11,395,884	2,213,997	13,609,880
2036	17,043,933	3,302,190	0.5995	10,217,128	1,979,526	12,196,654
2037	15,709,703	3,067,582	0.5806	9,120,884	1,781,005	10,901,889
2038	14,385,959	2,874,262	0.5623	8,089,426	1,616,238	9,705,664
2039	13,107,072	2,685,660	0.5446	7,138,296	1,462,648	8,600,944
2040	11,891,900	2,501,638	0.5275	6,272,635	1,319,542	7,592,177
2041	10,721,981	2,323,924	0.5109	5,477,517	1,187,218	6,664,736
2042	9,965,780	2,153,747	0.4948	4,930,943	1,065,647	5,996,590
2043	8,527,212	1,987,817	0.4792	4,086,351	952,588	5,038,939
2044	7,539,721	1,824,967	0.4641	3,499,402	847,020	4,346,421
2045	6,626,449	1,665,808	0.4495	2,978,718	748,813	3,727,531
2046	5,778,354	1,511,366	0.4354	2,515,722	658,003	3,173,725
2047	5,009,106	1,363,871	0.4217	2,112,169	575,098	2,687,266
2048	4,305,237	1,220,830	0.4084	1,758,229	498,578	2,256,807
2049	3,673,387	1,077,598	0.3955	1,452,964	426,231	1,879,195
2050	3,105,918	936,162	0.3831	1,189,839	358,632	1,548,471
2051	2,604,869	800,136	0.3710	966,483	296,874	1,263,356
2052	2,165,590	669,682	0.3594	778,205	240,651	1,018,856
2053	1,844,825	544,969	0.3480	642,071	189,671	831,742
2054	1,443,036	445,475	0.3371	486,424	150,163	636,587
2055	1,165,384	342,997	0.3265	380,467	111,979	492,446
2056	931,890	247,097	0.3162	294,661	78,131	372,792
2057	737,684	148,321	0.3062	225,911	45,422	271,334
2058	577,959	56,234	0.2966	171,425	16,679	188,105
2059	448,108		0.2873	128,727	0	128,727
2060	343,799		0.2782	95,654	0	95,654
2061	261,016		0.2695	70,335	0	70,335
2062	196,191		0.2610	51,203	0	51,203
2063	146,041		0.2528	36,915	0	36,915
2064	111,189		0.2448	27,221	0	27,221
2065	77,731		0.2371	18,431	0	18,431
2066	56,339		0.2296	12,938	0	12,938
2067	40,549		0.2224	9,019	0	9,019
2068	29,007		0.2154	6,249	0	6,249
2069	20,660		0.2086	4,310	0	4,310

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Payments and Liability as of June 30, 2020 - Point Estimate

**Exhibit 1.1
Sheet 2**

Discount Rate

3.25%

(1)	(2)	(3)	(4)	(5)	(6)
-----	-----	-----	-----	-----	-----

Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments
2070	14,686		0.2021	2,967	0	2,967
2071	10,450		0.1957	2,045	0	2,045
2072	7,469		0.1895	1,416	0	1,416
2073	5,383		0.1836	988	0	988
2074	3,929		0.1778	699	0	699
2075	2,913		0.1722	502	0	502
2076	2,269		0.1668	378	0	378
2077	1,666		0.1615	269	0	269
2078	1,292		0.1565	202	0	202
2079	1,011		0.1515	153	0	153
2080	792		0.1468	116	0	116
2081	619		0.1421	88	0	88
2082	479		0.1377	66	0	66
2083	365		0.1333	49	0	49
2084	273		0.1291	35	0	35
2085	201		0.1251	25	0	25
2086	144		0.1211	17	0	17
2087	104		0.1173	12	0	12
2088	68		0.1136	8	0	8
2089	45		0.1100	5	0	5
2090	29		0.1066	3	0	3
Total	599,981,950	123,704,032		441,046,556	88,645,774	529,692,330

Notes: (1) based on claim-level analysis of open/pending claims as of June 30, 2020.

Uses static mortality at 2020 level from 1994 GAM table.

(2) From Exhibit 3.

(3) Based on selected discount rate.

(4) and (5) equals (3) multiplied by corresponding amounts in (1) and (2).

(6) = (4) + (5)

No IBNR or claim re-openings assumed after June 30, 2020 based on history of these claims.

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Industry Premiums - Point Estimate

**Exhibit 1.1
Sheet 3**

(1) (2) (3) (4) (5)

Calendar Year	Premium	Payroll Trend	Loss Cost Trend	COVID Audit Impact	Combined Trend
2010	\$997,216,190.23				
2011	\$1,011,341,156.72				
2012	\$975,575,877.64				
2013	\$981,393,522.09				
2014	\$1,041,971,220.72				
2015	\$1,049,853,302.14				
2016	\$1,049,929,524.50				
2017	\$1,044,646,157.06				
2018	\$1,133,312,622.99				
2019	\$1,095,183,382.78				
2020	\$964,104,903.71	-1.29%	-9.00%	-2.00%	-11.97%
2021	\$892,119,452.38	5.29%	-7.00%	-5.50%	-7.47%
2022	\$881,414,018.95	4.00%	-5.00%	0.00%	-1.20%
2023	\$876,345,888.34	2.50%	-3.00%	0.00%	-0.58%
2024	\$871,306,899.48	2.50%	-3.00%	0.00%	-0.58%
2025	\$866,296,884.81	2.50%	-3.00%	0.00%	-0.58%
2026	\$861,315,677.72	2.50%	-3.00%	0.00%	-0.58%
2027	\$856,363,112.58	2.50%	-3.00%	0.00%	-0.58%
2028	\$851,439,024.68	2.50%	-3.00%	0.00%	-0.58%
2029	\$846,543,250.29	2.50%	-3.00%	0.00%	-0.58%

Notes: (1) Figures up through 2019 are actual. Subsequent figures are based on (5) applied to (1) prior.
 (2), (3), (4) Selected based on information provided by client.
 (5) = [1+(2)]x[1+(3)]x[1+(4)]-1

Kentucky Workers Compensation Funding Commission Exhibit 1.1
Special Fund
Sheet 4
Projected Expenses - Point Estimate

(1) (2) (3) (4)

Fiscal Year Ending	Labor Cabinet Admin	UEF Admin	KOSH	KWCFC Admin
2011	\$24,330,500	\$556,045	\$520,000	\$1,570,850
2012	\$24,177,100	\$913,265	\$530,800	\$1,542,722
2013	\$24,241,200	\$1,846,106	\$469,125	\$1,503,437
2014	\$23,813,100	\$1,464,269	\$711,200	\$1,598,986
2015	\$28,743,300	\$276,034	\$687,900	\$1,477,100
2016	\$27,958,000	\$2,491,532	\$690,000	\$1,175,200
2017	\$25,130,500	\$278,360	\$572,500	\$1,564,800
2018	\$25,763,400	\$2,174,821	\$555,400	\$1,228,100
2019	\$29,494,000	\$2,620,624	\$540,200	\$1,928,900
2020	\$29,341,000	\$500,000	\$662,700	\$1,673,001
Avg.	\$26,299,210	\$1,312,106	\$593,983	\$1,526,310
Avg. L5	\$27,537,380	\$1,613,067	\$604,160	\$1,514,000
Avg. Trended	\$29,270,209	\$1,452,170	\$661,840	\$1,702,812
Avg. L5 Trended	\$29,204,731	\$1,719,319	\$641,776	\$1,601,573
Selected	\$29,000,000	\$1,600,000	\$650,000	\$1,650,000

Notes: (1) through (4) Based on information provided by KWCFC.
 2% trend was used in trended averages.

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Pessimistic Estimate

**Exhibit 1.2
Sheet 1**

Calendar Year	Contribution Rate	Reinvestment Yield						Ending Liquid Asset Balance	
		Short-Term		0.15%		Cash Flow Produced By Investments	Reinvested Income		
		8.47%	Long-Term	2.50%					
(1)	(2)	(3)	(4)	(5)	(6)	(7)			
Beginning Liquid Asset Balance	Contribution	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Income		Ending Liquid Asset Balance		
2020	9,698,367	33,957,198	23,098,890	16,450,000	22,353,708	13,560	26,473,942		
2021	26,473,942	72,240,973	45,155,071	33,637,508	33,090,660	59,615	53,072,611		
2022	53,072,611	68,505,707	43,622,221	34,646,633	17,888,196	1,428,378	62,626,038		
2023	62,626,038	66,901,202	42,325,593	35,686,032	28,089,451	1,777,889	81,382,954		
2024	81,382,954	65,509,657	40,936,834	36,756,613	13,803,523	2,054,821	85,057,507		
2025	85,057,507	64,147,056	39,709,599	37,859,312	35,561,736	2,403,186	109,600,575		
2026	109,600,575	62,812,797	38,625,717	38,995,091	25,289,307	2,871,031	122,952,902		
2027	122,952,902	61,506,291	37,472,509	40,164,944	18,894,149	3,108,360	128,824,250		
2028	128,824,250	60,226,960	36,314,622	41,369,892	52,262,906	3,655,673	167,285,276		
2029	167,285,276	58,974,240	35,144,666	42,610,989	11,597,356	4,092,331	164,193,547		
2030	164,193,547	13,644,126	31,962,663		39,967,031	4,375,445	190,217,487		
2031	190,217,487		30,618,888		34,433,675	4,803,122	198,835,396		
2032	198,835,396		27,736,781		2,001,275	4,649,191	177,749,081		
2033	177,749,081		25,788,091		14,398,633	4,301,359	170,660,983		
2034	170,660,983		24,034,499		5,765,771	4,038,165	156,430,420		
2035	156,430,420		22,271,570		3,835,928	3,680,315	141,675,092		
2036	141,675,092		20,605,820		2,242,706	3,312,338	126,624,317		
2037	126,624,317		19,020,566		1,729,494	2,949,470	112,282,715		
2038	112,282,715		17,494,610		4,266,231	2,641,713	101,696,050		
2039	101,696,050		16,018,228		661,358	2,350,440	88,689,621		
2040	88,689,621		14,610,142		645,532	2,042,683	76,767,694		
2041	76,767,694		13,253,616		700,500	1,762,278	65,976,856		
2042	65,976,856		12,318,346		405,537	1,500,511	55,564,558		
2043	55,564,558		10,704,956		1,189,627	1,270,172	47,319,402		
2044	47,319,402		9,545,581		346,088	1,067,991	39,187,901		
2045	39,187,901		8,463,893		341,653	878,170	31,943,830		
2046	31,943,830		7,451,927		338,794	709,682	25,540,378		
2047	25,540,378		6,525,643		1,734,900	578,625	21,328,260		
2048	21,328,260		5,669,142		2,024,777	487,652	18,171,546		
2049	18,171,546		4,884,204		3,025,528	431,055	16,743,925		
2050	16,743,925		4,164,590		1,071,405	379,933	14,030,674		
2051	14,030,674		3,515,604		1,552,500	326,228	12,393,798		
2052	12,393,798		2,932,807		0	273,185	9,734,175		
2053	9,734,175		2,473,164		0	212,440	7,473,451		
2054	7,473,451		1,961,001		0	162,324	5,674,774		
2055	5,674,774		1,567,457		0	122,276	4,229,594		
2056	4,229,594		1,224,091		0	90,439	3,095,941		
2057	3,095,941		914,521		0	65,967	2,247,387		
2058	2,247,387		645,478		0	48,116	1,650,026		
2059	1,650,026		448,108		0	35,649	1,237,567		
2060	1,237,567		343,799		0	26,642	920,409		
2061	920,409		261,016		0	19,748	679,141		
2062	679,141		196,191		0	14,526	497,476		
2063	497,476		146,041		0	10,611	362,046		
2064	362,046		111,189		0	7,661	258,519		

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Pessimistic Estimate

**Exhibit 1.2
Sheet 1**

Calendar Year	Asset Balance	Reinvestment Yield						
		Contribution Rate		Short-Term	0.15%			
		8.47%		Long-Term	2.50%			
(1)	(2)	(3)	(4)	(5)	(6)	(7)		
		Beginning Liquid Asset Balance					Ending Liquid Asset Balance	
2065	258,519		77,731		0	5,491	186,279	
2066	186,279		56,339		0	3,953	133,893	
2067	133,893		40,549		0	2,840	96,184	
2068	96,184		29,007		0	2,042	69,219	
2069	69,219		20,660		0	1,472	50,031	
2070	50,031		14,686		0	1,067	36,413	
2071	36,413		10,450		0	780	26,743	
2072	26,743		7,469		0	575	19,850	
2073	19,850		5,383		0	429	14,896	
2074	14,896		3,929		0	323	11,290	
2075	11,290		2,913		0	246	8,623	
2076	8,623		2,269		0	187	6,541	
2077	6,541		1,666		0	143	5,018	
2078	5,018		1,292		0	109	3,835	
2079	3,835		1,011		0	83	2,908	
2080	2,908		792		0	63	2,179	
2081	2,179		619		0	47	1,607	
2082	1,607		479		0	34	1,162	
2083	1,162		365		0	24	821	
2084	821		273		0	17	565	
2085	565		201		0	12	375	
2086	375		144		0	8	239	
2087	239		104		0	5	139	
2088	139		68		0	3	73	
2089	73		45		0	1	29	
2090	29		29		0	0	0	

Notes: 2020 represents only the second half of the year.

- (1) First row provided by client.
- Subsequent rows are equal to (6) prior.
- (2) Contribution rate multiplied by premiums in Sheet 3 with an assumed lag for receipt of contributions.
- (3) From Exhibit 1.1, Sheet 2 for SF and Exhibit 3 for UEF.
- (4) From Exhibit 1.5, Sheet 2.
- (5) Provided by client.
- (6) = [(1) + (2)/2 - (3)/2 - (4)/2 + (5)/2] x Reinvestment Yield.
- (7) = (1) + (2) + (5) + (6) - (3) - (4)

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Industry Premiums - Pessimistic Estimate

**Exhibit 1.2
Sheet 2**

(1) (2) (3) (4) (5)

Calendar Year	Premium	Payroll Trend	Loss Cost Trend	COVID Audit Impact	Combined Trend
2010	\$997,216,190.23				
2011	\$1,011,341,156.72				
2012	\$975,575,877.64				
2013	\$981,393,522.09				
2014	\$1,041,971,220.72				
2015	\$1,049,853,302.14				
2016	\$1,049,929,524.50				
2017	\$1,044,646,157.06				
2018	\$1,133,312,622.99				
2019	\$1,095,183,382.78				
2020	\$932,192,715.84	-2.50%	-10.00%	-3.00%	-14.88%
2021	\$829,487,451.18	4.00%	-8.00%	-7.00%	-11.02%
2022	\$803,109,750.23	3.00%	-6.00%	0.00%	-3.18%
2023	\$786,405,067.43	2.00%	-4.00%	0.00%	-2.08%
2024	\$770,047,842.02	2.00%	-4.00%	0.00%	-2.08%
2025	\$754,030,846.91	2.00%	-4.00%	0.00%	-2.08%
2026	\$738,347,005.29	2.00%	-4.00%	0.00%	-2.08%
2027	\$722,989,387.58	2.00%	-4.00%	0.00%	-2.08%
2028	\$707,951,208.32	2.00%	-4.00%	0.00%	-2.08%
2029	\$693,225,823.19	2.00%	-4.00%	0.00%	-2.08%

Notes: (1) Figures up through 2019 are actual. Subsequent figures are based on (5) applied to (1) prior.
 (2), (3), (4) Selected based on information provided by client.
 (5) = [1+(2)]x[1+(3)]x[1+(4)]-1

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Optimistic Estimate

**Exhibit 1.3
Sheet 1**

Calendar Year	Contribution Rate	Reinvestment Yield						Ending Liquid Asset Balance	
		Short-Term		0.15%		Cash Flow Produced By Investments	Reinvested Income		
		5.92%	Long-Term	3.50%					
(1)	(2)	(3)	(4)	(5)	(6)	(7)			
Beginning Liquid Asset Balance	Contribution	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Income		Ending Liquid Asset Balance		
2020	9,698,367	28,980,634	23,086,707	16,450,000	22,353,708	11,698	21,507,699		
2021	21,507,699	57,039,633	45,067,004	33,146,443	33,090,660	41,199	33,465,744		
2022	33,465,744	56,790,010	43,442,521	33,477,907	17,888,196	1,132,062	32,355,584		
2023	32,355,584	57,305,464	42,028,990	33,812,686	28,089,451	1,299,627	43,208,449		
2024	43,208,449	57,844,135	40,500,127	34,150,813	13,803,523	1,459,738	41,664,906		
2025	41,664,906	58,387,870	39,111,083	34,492,321	35,561,736	1,814,330	63,825,438		
2026	63,825,438	58,936,716	37,843,871	34,837,245	25,289,307	2,435,926	77,806,272		
2027	77,806,272	59,490,721	36,486,017	35,185,617	18,894,149	2,840,701	87,360,210		
2028	87,360,210	60,049,934	35,102,396	35,537,473	52,262,906	3,786,884	132,820,065		
2029	132,820,065	60,614,403	33,685,306	35,892,848	11,597,356	4,694,790	140,148,461		
2030	140,148,461	14,123,428	30,915,478		39,967,031	5,310,758	168,634,201		
2031	168,634,201		29,745,079		34,433,675	5,984,247	179,307,044		
2032	179,307,044		26,985,095		2,001,275	5,838,530	160,161,754		
2033	160,161,754		25,140,081		14,398,633	5,417,686	154,837,992		
2034	154,837,992		23,448,288		5,765,771	5,109,886	142,265,361		
2035	142,265,361		21,738,474		3,835,928	4,665,993	129,028,807		
2036	129,028,807		20,115,512		2,242,706	4,203,234	115,359,236		
2037	115,359,236		18,560,984		1,729,494	3,743,022	102,270,768		
2038	102,270,768		17,051,856		4,266,231	3,355,728	92,840,872		
2039	92,840,872		15,592,302		661,358	2,988,139	80,898,067		
2040	80,898,067		14,201,043		645,532	2,594,211	69,936,766		
2041	69,936,766		12,861,346		700,500	2,234,972	60,010,892		
2042	60,010,892		11,942,903		405,537	1,898,477	50,372,003		
2043	50,372,003		10,346,341		1,189,627	1,602,778	42,818,067		
2044	42,818,067		9,204,077		346,088	1,343,618	35,303,696		
2045	35,303,696		8,139,942		341,653	1,099,159	28,604,566		
2046	28,604,566		7,145,855		338,794	882,036	22,679,541		
2047	22,679,541		6,237,654		1,734,900	714,986	18,891,772		
2048	18,891,772		5,399,311		2,024,777	602,158	16,119,396		
2049	16,119,396		4,633,032		3,025,528	536,048	15,047,939		
2050	15,047,939		3,933,743		1,071,405	476,587	12,662,189		
2051	12,662,189		3,307,411		1,552,500	412,466	11,319,743		
2052	11,319,743		2,749,453		0	348,076	8,918,366		
2053	8,918,366		2,316,679		0	271,601	6,873,288		
2054	6,873,288		1,825,330		0	208,622	5,256,580		
2055	5,256,580		1,457,223		0	158,479	3,957,836		
2056	3,957,836		1,140,226		0	118,570	2,936,181		
2057	2,936,181		861,681		0	87,687	2,162,186		
2058	2,162,186		624,631		0	64,745	1,602,300		
2059	1,602,300		448,108		0	48,239	1,202,431		
2060	1,202,431		343,799		0	36,069	894,700		
2061	894,700		261,016		0	26,747	660,432		
2062	660,432		196,191		0	19,682	483,922		
2063	483,922		146,041		0	14,382	352,263		
2064	352,263		111,189		0	10,383	251,457		

**Kentucky Workers Compensation Funding Commission
Special Fund
Projected Asset Balance - Optimistic Estimate**

**Exhibit 1.3
Sheet 1**

Calendar Year	Asset Balance	Reinvestment Yield					
		Contribution Rate		Short-Term	0.15%	Cash Flow Produced By Investments	Reinvested Investment Income
		5.92%	Long-Term	3.50%			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
		Beginning Liquid Asset Balance					Ending Liquid Asset Balance
2065	251,457		77,731		0	7,441	181,167
2066	181,167		56,339		0	5,355	130,183
2067	130,183		40,549		0	3,847	93,481
2068	93,481		29,007		0	2,764	67,238
2069	67,238		20,660		0	1,992	48,569
2070	48,569		14,686		0	1,443	35,327
2071	35,327		10,450		0	1,054	25,930
2072	25,930		7,469		0	777	19,239
2073	19,239		5,383		0	579	14,435
2074	14,435		3,929		0	436	10,943
2075	10,943		2,913		0	332	8,362
2076	8,362		2,269		0	253	6,345
2077	6,345		1,666		0	193	4,873
2078	4,873		1,292		0	148	3,729
2079	3,729		1,011		0	113	2,831
2080	2,831		792		0	85	2,124
2081	2,124		619		0	64	1,569
2082	1,569		479		0	47	1,136
2083	1,136		365		0	33	804
2084	804		273		0	23	554
2085	554		201		0	16	369
2086	369		144		0	10	235
2087	235		104		0	6	137
2088	137		68		0	4	73
2089	73		45		0	2	29
2090	29		29		0	0	0

Notes: 2020 represents only the second half of the year.

- (1) First row provided by client.
- Subsequent rows are equal to (6) prior.
- (2) Contribution rate multiplied by premiums in Sheet 3 with an assumed lag for receipt of contributions.
- (3) From Exhibit 1.1, Sheet 2 for SF and Exhibit 3 for UEF.
- (4) From Exhibit 1.5, Sheet 1.
- (5) Provided by client.
- (6) = [(1) + (2)/2 - (3)/2 - (4)/2 + (5)/2] x Reinvestment Yield.
- (7) = (1) + (2) + (5) + (6) - (3) - (4)

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Industry Premiums - Optimistic Estimate

**Exhibit 1.3
Sheet 2**

(1) (2) (3) (4) (5)

Calendar Year	Premium	Payroll Trend	Loss Cost Trend	COVID Audit Impact	Combined Trend
2010	\$997,216,190.23				
2011	\$1,011,341,156.72				
2012	\$975,575,877.64				
2013	\$981,393,522.09				
2014	\$1,041,971,220.72				
2015	\$1,049,853,302.14				
2016	\$1,049,929,524.50				
2017	\$1,044,646,157.06				
2018	\$1,133,312,622.99				
2019	\$1,095,183,382.78				
2020	\$997,493,025.04	0.00%	-8.00%	-1.00%	-8.92%
2021	\$954,145,968.14	6.00%	-6.00%	-4.00%	-4.35%
2022	\$961,779,135.89	5.00%	-4.00%	0.00%	0.80%
2023	\$970,819,859.76	3.00%	-2.00%	0.00%	0.94%
2024	\$979,945,566.44	3.00%	-2.00%	0.00%	0.94%
2025	\$989,157,054.77	3.00%	-2.00%	0.00%	0.94%
2026	\$998,455,131.08	3.00%	-2.00%	0.00%	0.94%
2027	\$1,007,840,609.32	3.00%	-2.00%	0.00%	0.94%
2028	\$1,017,314,311.04	3.00%	-2.00%	0.00%	0.94%
2029	\$1,026,877,065.57	3.00%	-2.00%	0.00%	0.94%

Notes: (1) Figures up through 2019 are actual. Subsequent figures are based on (5) applied to (1) prior.
 (2), (3), (4) Selected based on information provided by client.
 (5) = [1+(2)]x[1+(3)]x[1+(4)]-1

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Investment Sensitivity

**Exhibit 1.4
Sheet 1**

Calendar Year	Contribution Rate	Reinvestment Yield						Ending Liquid Asset Balance	
		Short-Term		0.15%		Cash Flow Produced By Investments	Reinvested Income		
		7.13%	Long-Term	2.50%					
(1)	(2)	(3)	(4)	(5)	(6)	(7)			
Beginning Liquid Asset	Contribution	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Income	Ending Liquid Asset			
Year	Balance	Contributions	Payments	By Investments	Income	Balance			
2020	9,698,367	33,831,116	23,092,799	16,450,000	22,353,708	13,515	26,353,906		
2021	26,353,906	64,838,847	45,110,794	33,392,276	33,090,660	901,678	46,682,021		
2022	46,682,021	63,058,668	43,531,240	34,060,122	17,888,196	1,208,994	51,246,518		
2023	51,246,518	62,603,597	42,174,329	34,741,324	28,089,451	1,453,380	66,477,293		
2024	66,477,293	62,243,626	40,712,463	35,436,151	13,803,523	1,660,664	68,036,492		
2025	68,036,492	61,885,725	39,399,775	36,144,874	35,561,736	1,974,697	91,914,001		
2026	91,914,001	61,529,882	38,217,927	36,867,771	25,289,307	2,444,519	106,092,011		
2027	106,092,011	61,176,086	36,954,071	37,605,127	18,894,149	2,721,188	114,324,237		
2028	114,324,237	60,824,323	35,672,697	38,357,229	52,262,906	3,346,322	156,727,862		
2029	156,727,862	60,474,583	34,365,977	39,124,374	11,597,356	3,900,466	159,209,917		
2030	159,209,917	14,041,460	31,405,437		39,967,031	4,262,786	186,075,757		
2031	186,075,757		30,154,297		34,433,675	4,705,386	195,060,521		
2032	195,060,521		27,337,380		2,001,275	4,559,812	174,284,228		
2033	174,284,228		25,444,175		14,398,633	4,219,036	167,457,722		
2034	167,457,722		23,723,537		5,765,771	3,961,971	153,461,927		
2035	153,461,927		21,988,987		3,835,928	3,609,635	138,918,503		
2036	138,918,503		20,346,123		2,242,706	3,246,670	124,061,756		
2037	124,061,756		18,777,285		1,729,494	2,888,447	109,902,411		
2038	109,902,411		17,260,221		4,266,231	2,585,135	99,493,557		
2039	99,493,557		15,792,732		661,358	2,298,197	86,660,380		
2040	86,660,380		14,393,538		645,532	1,994,659	74,907,033		
2041	74,907,033		13,045,905		700,500	1,718,358	64,279,987		
2042	64,279,987		12,119,526		405,537	1,460,575	54,026,572		
2043	54,026,572		10,515,029		1,189,627	1,234,097	45,935,268		
2044	45,935,268		9,364,687		346,088	1,035,649	37,952,318		
2045	37,952,318		8,292,258		341,653	849,425	30,851,139		
2046	30,851,139		7,289,719		338,794	684,392	24,584,605		
2047	24,584,605		6,372,977		1,734,900	556,639	20,503,168		
2048	20,503,168		5,526,067		2,024,777	468,813	17,470,691		
2049	17,470,691		4,750,985		3,025,528	415,199	16,160,433		
2050	16,160,433		4,042,080		1,071,405	366,877	13,556,635		
2051	13,556,635		3,405,005		1,552,500	315,760	12,019,890		
2052	12,019,890		2,835,272		0	265,056	9,449,674		
2053	9,449,674		2,389,794		0	206,369	7,266,249		
2054	7,266,249		1,888,511		0	158,050	5,535,788		
2055	5,535,788		1,508,380		0	119,540	4,146,948		
2056	4,146,948		1,178,987		0	88,936	3,056,897		
2057	3,056,897		886,005		0	65,347	2,236,240		
2058	2,236,240		634,193		0	47,979	1,650,026		
2059	1,650,026		448,108		0	35,649	1,237,567		
2060	1,237,567		343,799		0	26,642	920,409		
2061	920,409		261,016		0	19,748	679,141		
2062	679,141		196,191		0	14,526	497,476		
2063	497,476		146,041		0	10,611	362,046		
2064	362,046		111,189		0	7,661	258,519		

**Kentucky Workers Compensation Funding Commission
Special Fund
Projected Asset Balance - Investment Sensitivity**

**Exhibit 1.4
Sheet 1**

Calendar Year	Asset Balance	Reinvestment Yield						
		Contribution Rate		Short-Term	0.15%			
		7.13%		Long-Term	2.50%			
(1)	(2)	(3)	(4)	(5)	(6)	(7)		
		Beginning Liquid Asset Balance					Ending Liquid Asset Balance	
2065	258,519		77,731		0	5,491	186,279	
2066	186,279		56,339		0	3,953	133,893	
2067	133,893		40,549		0	2,840	96,184	
2068	96,184		29,007		0	2,042	69,219	
2069	69,219		20,660		0	1,472	50,031	
2070	50,031		14,686		0	1,067	36,413	
2071	36,413		10,450		0	780	26,743	
2072	26,743		7,469		0	575	19,850	
2073	19,850		5,383		0	429	14,896	
2074	14,896		3,929		0	323	11,290	
2075	11,290		2,913		0	246	8,623	
2076	8,623		2,269		0	187	6,541	
2077	6,541		1,666		0	143	5,018	
2078	5,018		1,292		0	109	3,835	
2079	3,835		1,011		0	83	2,908	
2080	2,908		792		0	63	2,179	
2081	2,179		619		0	47	1,607	
2082	1,607		479		0	34	1,162	
2083	1,162		365		0	24	821	
2084	821		273		0	17	565	
2085	565		201		0	12	375	
2086	375		144		0	8	239	
2087	239		104		0	5	139	
2088	139		68		0	3	73	
2089	73		45		0	1	29	
2090	29		29		0	0	0	

Notes: 2020 represents only the second half of the year.

- (1) First row provided by client.
- Subsequent rows are equal to (6) prior.
- (2) From Exhibit 1.1, Sheet 1.
- (3) From Exhibit 1.1, Sheet 2.
- (4) From Exhibit 1.1, Sheet 1.
- (5) Provided by client.
- (6) = [(1) + (2)/2 - (3)/2 - (4)/2 + (5)/2] x Reinvestment Yield.
- (7) = (1) + (2) + (5) + (6) - (3) - (4)

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Investment Sensitivity

**Exhibit 1.4
Sheet 2**

Calendar Year	Contribution Rate	Reinvestment Yield						Ending Liquid Asset Balance	
		Short-Term		0.15%		Cash Flow Produced By Investments	Reinvested Income		
		6.89%	Long-Term	3.50%					
(1)	(2)	(3)	(4)	(5)	(6)	(7)			
Beginning Liquid Asset	Contribution	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Income	Ending Liquid Asset			
Year	Balance	Contributions	Payments	By Investments	Income	Balance			
2020	9,698,367	33,157,912	23,092,799	16,450,000	22,353,708	13,262	25,680,450		
2021	25,680,450	62,612,091	45,110,794	33,392,276	33,090,660	1,199,810	44,079,940		
2022	44,079,940	60,893,048	43,531,240	34,060,122	17,888,196	1,563,621	46,833,444		
2023	46,833,444	60,453,606	42,174,329	34,741,324	28,089,451	1,842,650	60,303,498		
2024	60,303,498	60,105,997	40,712,463	35,436,151	13,803,523	2,071,438	60,135,842		
2025	60,135,842	59,760,388	39,399,775	36,144,874	35,561,736	2,450,860	82,364,177		
2026	82,364,177	59,416,766	38,217,927	36,867,771	25,289,307	3,051,103	95,035,655		
2027	95,035,655	59,075,119	36,954,071	37,605,127	18,894,149	3,385,924	101,831,650		
2028	101,831,650	58,735,437	35,672,697	38,357,229	52,262,906	4,211,055	143,011,122		
2029	143,011,122	58,397,709	34,365,977	39,124,374	11,597,356	4,944,222	144,460,058		
2030	144,460,058	13,559,235	31,405,437		39,967,031	5,443,217	172,024,104		
2031	172,024,104		30,154,297		34,433,675	6,095,733	182,399,214		
2032	182,399,214		27,337,380		2,001,275	5,940,591	163,003,700		
2033	163,003,700		25,444,175		14,398,633	5,511,833	157,469,990		
2034	157,469,990		23,723,537		5,765,771	5,197,189	144,709,413		
2035	144,709,413		21,988,987		3,835,928	4,747,151	131,303,505		
2036	131,303,505		20,346,123		2,242,706	4,278,813	117,478,901		
2037	117,478,901		18,777,285		1,729,494	3,813,425	104,244,535		
2038	104,244,535		17,260,221		4,266,231	3,421,164	94,671,709		
2039	94,671,709		15,792,732		661,358	3,048,711	82,589,046		
2040	82,589,046		14,393,538		645,532	2,650,027	71,491,067		
2041	71,491,067		13,045,905		700,500	2,286,143	61,431,805		
2042	61,431,805		12,119,526		405,537	1,945,118	51,662,934		
2043	51,662,934		10,515,029		1,189,627	1,645,008	43,982,540		
2044	43,982,540		9,364,687		346,088	1,381,563	36,345,505		
2045	36,345,505		8,292,258		341,653	1,132,957	29,527,858		
2046	29,527,858		7,289,719		338,794	911,834	23,488,766		
2047	23,488,766		6,372,977		1,734,900	740,940	19,591,629		
2048	19,591,629		5,526,067		2,024,777	624,434	16,714,774		
2049	16,714,774		4,750,985		3,025,528	554,822	15,544,138		
2050	15,544,138		4,042,080		1,071,405	492,058	13,065,522		
2051	13,065,522		3,405,005		1,552,500	424,874	11,637,891		
2052	11,637,891		2,835,272		0	357,709	9,160,328		
2053	9,160,328		2,389,794		0	278,790	7,049,324		
2054	7,049,324		1,888,511		0	213,677	5,374,490		
2055	5,374,490		1,508,380		0	161,711	4,027,820		
2056	4,027,820		1,178,987		0	120,341	2,969,175		
2057	2,969,175		886,005		0	88,416	2,171,586		
2058	2,171,586		634,193		0	64,907	1,602,300		
2059	1,602,300		448,108		0	48,239	1,202,431		
2060	1,202,431		343,799		0	36,069	894,700		
2061	894,700		261,016		0	26,747	660,432		
2062	660,432		196,191		0	19,682	483,922		
2063	483,922		146,041		0	14,382	352,263		
2064	352,263		111,189		0	10,383	251,457		

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Investment Sensitivity

**Exhibit 1.4
Sheet 2**

Calendar Year	Asset Balance	Reinvestment Yield					
		Contribution Rate		Short-Term	0.15%	Cash Flow Produced By Investments	Reinvested Investment Income
		6.89%	Long-Term	3.50%			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
		Beginning Liquid Asset Balance					Ending Liquid Asset Balance
2065	251,457		77,731		0	7,441	181,167
2066	181,167		56,339		0	5,355	130,183
2067	130,183		40,549		0	3,847	93,481
2068	93,481		29,007		0	2,764	67,238
2069	67,238		20,660		0	1,992	48,569
2070	48,569		14,686		0	1,443	35,327
2071	35,327		10,450		0	1,054	25,930
2072	25,930		7,469		0	777	19,239
2073	19,239		5,383		0	579	14,435
2074	14,435		3,929		0	436	10,943
2075	10,943		2,913		0	332	8,362
2076	8,362		2,269		0	253	6,345
2077	6,345		1,666		0	193	4,873
2078	4,873		1,292		0	148	3,729
2079	3,729		1,011		0	113	2,831
2080	2,831		792		0	85	2,124
2081	2,124		619		0	64	1,569
2082	1,569		479		0	47	1,136
2083	1,136		365		0	33	804
2084	804		273		0	23	554
2085	554		201		0	16	369
2086	369		144		0	10	235
2087	235		104		0	6	137
2088	137		68		0	4	73
2089	73		45		0	2	29
2090	29		29		0	0	0

Notes: 2020 represents only the second half of the year.

- (1) First row provided by client.
- Subsequent rows are equal to (6) prior.
- (2) From Exhibit 1.1, Sheet 1.
- (3) From Exhibit 1.1, Sheet 2.
- (4) From Exhibit 1.1, Sheet 1.
- (5) Provided by client.
- (6) = [(1) + (2)/2 - (3)/2 - (4)/2 + (5)/2] x Reinvestment Yield.
- (7) = (1) + (2) + (5) + (6) - (3) - (4)

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Expense Growth Sensitivity

**Exhibit 1.5
Sheet 1**

Calendar Year	Contribution Rate	Reinvestment Yield			Expense Growth		
		Short-Term		0.15%	1%		
		6.83%	Long-Term	3.00%	(5)	(6)	(7)
(1)	(2)	(3)	(4)		(5)	(6)	(7)
Beginning Liquid Asset	Contribution	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Income	Ending Liquid Asset	
Year	Balance	Contributions	Payments	Expenses	By Investments	Income	Balance
2020	9,698,367	33,001,435	23,092,799	16,450,000	22,353,708	13,203	25,523,915
2021	25,523,915	62,094,515	45,110,794	33,146,443	33,090,660	1,019,637	43,471,490
2022	43,471,490	60,389,683	43,531,240	33,477,907	17,888,196	1,323,176	46,063,397
2023	46,063,397	59,953,873	42,174,329	33,812,686	28,089,451	1,562,747	59,682,452
2024	59,682,452	59,609,138	40,712,463	34,150,813	13,803,523	1,768,714	60,000,551
2025	60,000,551	59,266,385	39,399,775	34,492,321	35,561,736	2,114,057	83,050,632
2026	83,050,632	58,925,604	38,217,927	34,837,245	25,289,307	2,658,915	96,869,287
2027	96,869,287	58,586,781	36,954,071	35,185,617	18,894,149	2,986,197	105,196,727
2028	105,196,727	58,249,907	35,672,697	35,537,473	52,262,906	3,745,441	148,244,812
2029	148,244,812	57,914,971	34,365,977	35,892,848	11,597,356	4,436,147	151,934,461
2030	151,934,461	13,447,150	31,405,437		39,967,031	4,888,165	178,831,370
2031	178,831,370		30,154,297		34,433,675	5,429,132	188,539,879
2032	188,539,879		27,337,380		2,001,275	5,276,155	168,479,929
2033	168,479,929		25,444,175		14,398,633	4,888,715	162,323,101
2034	162,323,101		23,723,537		5,765,771	4,600,327	148,965,662
2035	148,965,662		21,988,987		3,835,928	4,196,674	135,009,277
2036	135,009,277		20,346,123		2,242,706	3,778,727	120,684,587
2037	120,684,587		18,777,285		1,729,494	3,364,821	107,001,617
2038	107,001,617		17,260,221		4,266,231	3,015,139	97,022,766
2039	97,022,766		15,792,732		661,358	2,683,712	84,575,104
2040	84,575,104		14,393,538		645,532	2,331,033	73,158,131
2041	73,158,131		13,045,905		700,500	2,009,563	62,822,290
2042	62,822,290		12,119,526		405,537	1,708,959	52,817,259
2043	52,817,259		10,515,029		1,189,627	1,444,637	44,936,494
2044	44,936,494		9,364,687		346,088	1,212,816	37,130,711
2045	37,130,711		8,292,258		341,653	994,662	30,174,769
2046	30,174,769		7,289,719		338,794	800,979	24,024,822
2047	24,024,822		6,372,977		1,734,900	651,174	20,037,919
2048	20,037,919		5,526,067		2,024,777	548,618	17,085,248
2049	17,085,248		4,750,985		3,025,528	486,676	15,846,466
2050	15,846,466		4,042,080		1,071,405	430,834	13,306,625
2051	13,306,625		3,405,005		1,552,500	371,411	11,825,531
2052	11,825,531		2,835,272		0	312,237	9,302,495
2053	9,302,495		2,389,794		0	243,228	7,155,930
2054	7,155,930		1,888,511		0	186,350	5,453,769
2055	5,453,769		1,508,380		0	140,987	4,086,376
2056	4,086,376		1,178,987		0	104,906	3,012,295
2057	3,012,295		886,005		0	77,079	2,203,370
2058	2,203,370		634,193		0	56,588	1,625,765
2059	1,625,765		448,108		0	42,051	1,219,708
2060	1,219,708		343,799		0	31,434	907,343
2061	907,343		261,016		0	23,305	669,633
2062	669,633		196,191		0	17,146	490,588
2063	490,588		146,041		0	12,527	357,073
2064	357,073		111,189		0	9,044	254,929

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Expense Growth Sensitivity

**Exhibit 1.5
Sheet 1**

Calendar Year	Asset Balance	Reinvestment Yield				Expense Growth	
		Contribution Rate		Short-Term	0.15%	1%	
		6.83%		Long-Term	3.00%		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
		Beginning Liquid Asset Balance					Ending Liquid Asset Balance
2065	254,929		77,731		0	6,482	183,680
2066	183,680		56,339		0	4,665	132,006
2067	132,006		40,549		0	3,352	94,809
2068	94,809		29,007		0	2,409	68,211
2069	68,211		20,660		0	1,736	49,287
2070	49,287		14,686		0	1,258	35,860
2071	35,860		10,450		0	919	26,330
2072	26,330		7,469		0	678	19,539
2073	19,539		5,383		0	505	14,662
2074	14,662		3,929		0	381	11,114
2075	11,114		2,913		0	290	8,490
2076	8,490		2,269		0	221	6,442
2077	6,442		1,666		0	168	4,944
2078	4,944		1,292		0	129	3,781
2079	3,781		1,011		0	98	2,869
2080	2,869		792		0	74	2,151
2081	2,151		619		0	55	1,588
2082	1,588		479		0	40	1,149
2083	1,149		365		0	29	813
2084	813		273		0	20	559
2085	559		201		0	14	372
2086	372		144		0	9	237
2087	237		104		0	6	138
2088	138		68		0	3	73
2089	73		45		0	2	29
2090	29		29		0	0	0

Notes: 2020 represents only the second half of the year.

- (1) First row provided by client.
- Subsequent rows are equal to (6) prior.
- (2) From Exhibit 1.1, Sheet 1.
- (3) From Exhibit 1.1, Sheet 2.
- (4) 2020 from Exhibit 1.1, Sheet 1. Future years equal 2020 figure times Expense Growth factor.
- (5) Provided by client.
- (6) = [(1) + (2)/2 - (3)/2 - (4)/2 + (5)/2] x Reinvestment Yield.
- (7) = (1) + (2) + (5) + (6) - (3) - (4)

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Expense Growth Sensitivity

**Exhibit 1.5
Sheet 2**

Calendar Year	Contribution Rate	Reinvestment Yield			Expense Growth		
		Short-Term		0.15%	3%		
		7.19%	Long-Term	3.00%	(5)	(6)	(7)
		(1)	(2)	(3)	(4)	(5)	(6)
		Beginning Liquid Asset Balance	Contributions	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Income Ending Liquid Asset Balance
2020	9,698,367	33,985,665	23,092,799	16,450,000	22,353,708	13,572	26,508,514
2021	26,508,514	65,350,051	45,110,794	33,637,508	33,090,660	1,090,642	47,291,564
2022	47,291,564	63,555,837	43,531,240	34,646,633	17,888,196	1,467,739	52,025,463
2023	52,025,463	63,097,178	42,174,329	35,686,032	28,089,451	1,760,658	67,112,389
2024	67,112,389	62,734,369	40,712,463	36,756,613	13,803,523	1,999,404	68,180,608
2025	68,180,608	62,373,646	39,399,775	37,859,312	35,561,736	2,355,563	91,212,465
2026	91,212,465	62,014,998	38,217,927	38,995,091	25,289,307	2,887,743	104,191,496
2027	104,191,496	61,658,412	36,954,071	40,164,944	18,894,149	3,177,248	110,802,290
2028	110,802,290	61,303,876	35,672,697	41,369,892	52,262,906	3,871,932	151,198,414
2029	151,198,414	60,951,378	34,365,977	42,610,989	11,597,356	4,469,529	151,239,711
2030	151,239,711	14,152,166	31,405,437		39,967,031	4,877,898	178,831,370
2031	178,831,370		30,154,297		34,433,675	5,429,132	188,539,879
2032	188,539,879		27,337,380		2,001,275	5,276,155	168,479,929
2033	168,479,929		25,444,175		14,398,633	4,888,715	162,323,101
2034	162,323,101		23,723,537		5,765,771	4,600,327	148,965,662
2035	148,965,662		21,988,987		3,835,928	4,196,674	135,009,277
2036	135,009,277		20,346,123		2,242,706	3,778,727	120,684,587
2037	120,684,587		18,777,285		1,729,494	3,364,821	107,001,617
2038	107,001,617		17,260,221		4,266,231	3,015,139	97,022,766
2039	97,022,766		15,792,732		661,358	2,683,712	84,575,104
2040	84,575,104		14,393,538		645,532	2,331,033	73,158,131
2041	73,158,131		13,045,905		700,500	2,009,563	62,822,290
2042	62,822,290		12,119,526		405,537	1,708,959	52,817,259
2043	52,817,259		10,515,029		1,189,627	1,444,637	44,936,494
2044	44,936,494		9,364,687		346,088	1,212,816	37,130,711
2045	37,130,711		8,292,258		341,653	994,662	30,174,769
2046	30,174,769		7,289,719		338,794	800,979	24,024,822
2047	24,024,822		6,372,977		1,734,900	651,174	20,037,919
2048	20,037,919		5,526,067		2,024,777	548,618	17,085,248
2049	17,085,248		4,750,985		3,025,528	486,676	15,846,466
2050	15,846,466		4,042,080		1,071,405	430,834	13,306,625
2051	13,306,625		3,405,005		1,552,500	371,411	11,825,531
2052	11,825,531		2,835,272		0	312,237	9,302,495
2053	9,302,495		2,389,794		0	243,228	7,155,930
2054	7,155,930		1,888,511		0	186,350	5,453,769
2055	5,453,769		1,508,380		0	140,987	4,086,376
2056	4,086,376		1,178,987		0	104,906	3,012,295
2057	3,012,295		886,005		0	77,079	2,203,370
2058	2,203,370		634,193		0	56,588	1,625,765
2059	1,625,765		448,108		0	42,051	1,219,708
2060	1,219,708		343,799		0	31,434	907,343
2061	907,343		261,016		0	23,305	669,633
2062	669,633		196,191		0	17,146	490,588
2063	490,588		146,041		0	12,527	357,073
2064	357,073		111,189		0	9,044	254,929

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Expense Growth Sensitivity

**Exhibit 1.5
Sheet 2**

Calendar Year	Asset Balance			Reinvestment Yield		Expense Growth		
		Contribution Rate	7.19%	Short-Term	0.15%	(5)	(6)	
				Long-Term	3.00%			
		(1)	(2)	(3)	(4)	(5)	(6)	
		Beginning Liquid Asset	Contributions	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Investment Income	Ending Liquid Asset Balance
2065	254,929			77,731		0	6,482	183,680
2066	183,680			56,339		0	4,665	132,006
2067	132,006			40,549		0	3,352	94,809
2068	94,809			29,007		0	2,409	68,211
2069	68,211			20,660		0	1,736	49,287
2070	49,287			14,686		0	1,258	35,860
2071	35,860			10,450		0	919	26,330
2072	26,330			7,469		0	678	19,539
2073	19,539			5,383		0	505	14,662
2074	14,662			3,929		0	381	11,114
2075	11,114			2,913		0	290	8,490
2076	8,490			2,269		0	221	6,442
2077	6,442			1,666		0	168	4,944
2078	4,944			1,292		0	129	3,781
2079	3,781			1,011		0	98	2,869
2080	2,869			792		0	74	2,151
2081	2,151			619		0	55	1,588
2082	1,588			479		0	40	1,149
2083	1,149			365		0	29	813
2084	813			273		0	20	559
2085	559			201		0	14	372
2086	372			144		0	9	237
2087	237			104		0	6	138
2088	138			68		0	3	73
2089	73			45		0	2	29
2090	29			29		0	0	0

Notes: 2020 represents only the second half of the year.

- (1) First row provided by client.
- Subsequent rows are equal to (6) prior.
- (2) From Exhibit 1.1, Sheet 1.
- (3) From Exhibit 1.1, Sheet 2.
- (4) 2020 from Exhibit 1.1, Sheet 1. Future years equal 2020 figure times Expense Growth factor.
- (5) Provided by client.
- (6) = [(1) + (2)/2 - (3)/2 - (4)/2 + (5)/2] x Reinvestment Yield.
- (7) = (1) + (2) + (5) + (6) - (3) - (4)

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Premium Growth Sensitivity Pessimistic

**Exhibit 1.6
Sheet 1**

				Reinvestment Yield			
Contribution Rate		Short-Term	0.15%				
		Long-Term	3.00%				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Beginning							Ending
	Liquid						Liquid
Calendar	Asset	Contributions	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Income	Asset Balance
Year	Balance						
2020	9,698,367	35,356,364	23,092,799	16,450,000	22,353,708	14,087	27,879,726
2021	27,879,726	67,863,494	45,110,794	33,392,276	33,090,660	1,173,158	51,503,968
2022	51,503,968	64,354,568	43,531,240	34,060,122	17,888,196	1,614,890	57,770,261
2023	57,770,261	62,847,289	42,174,329	34,741,324	28,089,451	1,943,424	73,734,772
2024	73,734,772	61,540,065	40,712,463	35,436,151	13,803,523	2,199,968	75,129,714
2025	75,129,714	60,260,032	39,399,775	36,144,874	35,561,736	2,558,048	97,964,880
2026	97,964,880	59,006,623	38,217,927	36,867,771	25,289,307	3,077,100	110,252,213
2027	110,252,213	57,779,286	36,954,071	37,605,127	18,894,149	3,339,280	115,705,730
2028	115,705,730	56,577,476	35,672,697	38,357,229	52,262,906	3,993,329	154,509,515
2029	154,509,515	55,400,665	34,365,977	39,124,374	11,597,356	4,537,900	152,555,086
2030	152,555,086	12,817,353	31,405,437		39,967,031	4,897,337	178,831,370
2031	178,831,370		30,154,297		34,433,675	5,429,132	188,539,879
2032	188,539,879		27,337,380		2,001,275	5,276,155	168,479,929
2033	168,479,929		25,444,175		14,398,633	4,888,715	162,323,101
2034	162,323,101		23,723,537		5,765,771	4,600,327	148,965,662
2035	148,965,662		21,988,987		3,835,928	4,196,674	135,009,277
2036	135,009,277		20,346,123		2,242,706	3,778,727	120,684,587
2037	120,684,587		18,777,285		1,729,494	3,364,821	107,001,617
2038	107,001,617		17,260,221		4,266,231	3,015,139	97,022,766
2039	97,022,766		15,792,732		661,358	2,683,712	84,575,104
2040	84,575,104		14,393,538		645,532	2,331,033	73,158,131
2041	73,158,131		13,045,905		700,500	2,009,563	62,822,290
2042	62,822,290		12,119,526		405,537	1,708,959	52,817,259
2043	52,817,259		10,515,029		1,189,627	1,444,637	44,936,494
2044	44,936,494		9,364,687		346,088	1,212,816	37,130,711
2045	37,130,711		8,292,258		341,653	994,662	30,174,769
2046	30,174,769		7,289,719		338,794	800,979	24,024,822
2047	24,024,822		6,372,977		1,734,900	651,174	20,037,919
2048	20,037,919		5,526,067		2,024,777	548,618	17,085,248
2049	17,085,248		4,750,985		3,025,528	486,676	15,846,466
2050	15,846,466		4,042,080		1,071,405	430,834	13,306,625
2051	13,306,625		3,405,005		1,552,500	371,411	11,825,531
2052	11,825,531		2,835,272		0	312,237	9,302,495
2053	9,302,495		2,389,794		0	243,228	7,155,930
2054	7,155,930		1,888,511		0	186,350	5,453,769
2055	5,453,769		1,508,380		0	140,987	4,086,376
2056	4,086,376		1,178,987		0	104,906	3,012,295
2057	3,012,295		886,005		0	77,079	2,203,370
2058	2,203,370		634,193		0	56,588	1,625,765
2059	1,625,765		448,108		0	42,051	1,219,708
2060	1,219,708		343,799		0	31,434	907,343
2061	907,343		261,016		0	23,305	669,633
2062	669,633		196,191		0	17,146	490,588
2063	490,588		146,041		0	12,527	357,073
2064	357,073		111,189		0	9,044	254,929

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Premium Growth Sensitivity Pessimistic

**Exhibit 1.6
Sheet 1**

Calendar Year	Asset Balance	Reinvestment Yield					
		Contribution Rate		Short-Term	0.15%	Cash Flow Produced By Investments	Reinvested Investment Income
		7.95%	Long-Term	3.00%			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
		Beginning Liquid Asset Balance					Ending Liquid Asset Balance
2065	254,929		77,731		0	6,482	183,680
2066	183,680		56,339		0	4,665	132,006
2067	132,006		40,549		0	3,352	94,809
2068	94,809		29,007		0	2,409	68,211
2069	68,211		20,660		0	1,736	49,287
2070	49,287		14,686		0	1,258	35,860
2071	35,860		10,450		0	919	26,330
2072	26,330		7,469		0	678	19,539
2073	19,539		5,383		0	505	14,662
2074	14,662		3,929		0	381	11,114
2075	11,114		2,913		0	290	8,490
2076	8,490		2,269		0	221	6,442
2077	6,442		1,666		0	168	4,944
2078	4,944		1,292		0	129	3,781
2079	3,781		1,011		0	98	2,869
2080	2,869		792		0	74	2,151
2081	2,151		619		0	55	1,588
2082	1,588		479		0	40	1,149
2083	1,149		365		0	29	813
2084	813		273		0	20	559
2085	559		201		0	14	372
2086	372		144		0	9	237
2087	237		104		0	6	138
2088	138		68		0	3	73
2089	73		45		0	2	29
2090	29		29		0	0	0

Notes: 2020 represents only the second half of the year.

- (1) First row provided by client.
- Subsequent rows are equal to (6) prior.
- (2) From Exhibit 1.2, Sheet 1.
- (3) From Exhibit 1.1, Sheet 2.
- (4) From Exhibit 1.1, Sheet 1.
- (5) Provided by client.
- (6) = [(1) + (2)/2 - (3)/2 - (4)/2 + (5)/2] x Reinvestment Yield.
- (7) = (1) + (2) + (5) + (6) - (3) - (4)

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Premium Growth Sensitivity Optimistic

**Exhibit 1.6
Sheet 2**

				Reinvestment Yield			
Contribution Rate		Short-Term	0.15%				
		Long-Term	3.00%				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Beginning							Ending
	Liquid						Liquid
Calendar	Asset	Contributions	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Income	Asset Balance
Year	Balance						
2020	9,698,367	31,842,306	23,092,799	16,450,000	22,353,708	12,769	24,364,351
2021	24,364,351	59,740,830	45,110,794	33,392,276	33,090,660	945,857	39,638,627
2022	39,638,627	59,479,386	43,531,240	34,060,122	17,888,196	1,185,802	40,600,650
2023	40,600,650	60,019,250	42,174,329	34,741,324	28,089,451	1,385,915	53,179,613
2024	53,179,613	60,583,431	40,712,463	35,436,151	13,803,523	1,568,963	52,986,916
2025	52,986,916	61,152,915	39,399,775	36,144,874	35,561,736	1,907,158	76,064,075
2026	76,064,075	61,727,753	38,217,927	36,867,771	25,289,307	2,460,893	90,456,330
2027	90,456,330	62,307,993	36,954,071	37,605,127	18,894,149	2,813,334	99,912,609
2028	99,912,609	62,893,689	35,672,697	38,357,229	52,262,906	3,614,278	144,653,556
2029	144,653,556	63,484,889	34,365,977	39,124,374	11,597,356	4,363,485	150,608,935
2030	150,608,935	14,792,264	31,405,437		39,967,031	4,868,576	178,831,370
2031	178,831,370		30,154,297		34,433,675	5,429,132	188,539,879
2032	188,539,879		27,337,380		2,001,275	5,276,155	168,479,929
2033	168,479,929		25,444,175		14,398,633	4,888,715	162,323,101
2034	162,323,101		23,723,537		5,765,771	4,600,327	148,965,662
2035	148,965,662		21,988,987		3,835,928	4,196,674	135,009,277
2036	135,009,277		20,346,123		2,242,706	3,778,727	120,684,587
2037	120,684,587		18,777,285		1,729,494	3,364,821	107,001,617
2038	107,001,617		17,260,221		4,266,231	3,015,139	97,022,766
2039	97,022,766		15,792,732		661,358	2,683,712	84,575,104
2040	84,575,104		14,393,538		645,532	2,331,033	73,158,131
2041	73,158,131		13,045,905		700,500	2,009,563	62,822,290
2042	62,822,290		12,119,526		405,537	1,708,959	52,817,259
2043	52,817,259		10,515,029		1,189,627	1,444,637	44,936,494
2044	44,936,494		9,364,687		346,088	1,212,816	37,130,711
2045	37,130,711		8,292,258		341,653	994,662	30,174,769
2046	30,174,769		7,289,719		338,794	800,979	24,024,822
2047	24,024,822		6,372,977		1,734,900	651,174	20,037,919
2048	20,037,919		5,526,067		2,024,777	548,618	17,085,248
2049	17,085,248		4,750,985		3,025,528	486,676	15,846,466
2050	15,846,466		4,042,080		1,071,405	430,834	13,306,625
2051	13,306,625		3,405,005		1,552,500	371,411	11,825,531
2052	11,825,531		2,835,272		0	312,237	9,302,495
2053	9,302,495		2,389,794		0	243,228	7,155,930
2054	7,155,930		1,888,511		0	186,350	5,453,769
2055	5,453,769		1,508,380		0	140,987	4,086,376
2056	4,086,376		1,178,987		0	104,906	3,012,295
2057	3,012,295		886,005		0	77,079	2,203,370
2058	2,203,370		634,193		0	56,588	1,625,765
2059	1,625,765		448,108		0	42,051	1,219,708
2060	1,219,708		343,799		0	31,434	907,343
2061	907,343		261,016		0	23,305	669,633
2062	669,633		196,191		0	17,146	490,588
2063	490,588		146,041		0	12,527	357,073
2064	357,073		111,189		0	9,044	254,929

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Premium Growth Sensitivity Optimistic

**Exhibit 1.6
Sheet 2**

Calendar Year	Asset Balance	Reinvestment Yield					
		Contribution Rate		Short-Term	0.15%	Cash Flow Produced By Investments	Reinvested Investment Income
		6.20%	Long-Term	3.00%			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
		Beginning Liquid Asset Balance					Ending Liquid Asset Balance
2065	254,929		77,731		0	6,482	183,680
2066	183,680		56,339		0	4,665	132,006
2067	132,006		40,549		0	3,352	94,809
2068	94,809		29,007		0	2,409	68,211
2069	68,211		20,660		0	1,736	49,287
2070	49,287		14,686		0	1,258	35,860
2071	35,860		10,450		0	919	26,330
2072	26,330		7,469		0	678	19,539
2073	19,539		5,383		0	505	14,662
2074	14,662		3,929		0	381	11,114
2075	11,114		2,913		0	290	8,490
2076	8,490		2,269		0	221	6,442
2077	6,442		1,666		0	168	4,944
2078	4,944		1,292		0	129	3,781
2079	3,781		1,011		0	98	2,869
2080	2,869		792		0	74	2,151
2081	2,151		619		0	55	1,588
2082	1,588		479		0	40	1,149
2083	1,149		365		0	29	813
2084	813		273		0	20	559
2085	559		201		0	14	372
2086	372		144		0	9	237
2087	237		104		0	6	138
2088	138		68		0	3	73
2089	73		45		0	2	29
2090	29		29		0	0	0

Notes: 2020 represents only the second half of the year.

- (1) First row provided by client.
- Subsequent rows are equal to (6) prior.
- (2) From Exhibit 1.3, Sheet 1.
- (3) From Exhibit 1.1, Sheet 2.
- (4) From Exhibit 1.1, Sheet 1.
- (5) Provided by client.
- (6) = [(1) + (2)/2 - (3)/2 - (4)/2 + (5)/2] x Reinvestment Yield.
- (7) = (1) + (2) + (5) + (6) - (3) - (4)

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - UEF Sensitivity Pessimistic

**Exhibit 1.7
Sheet 1**

Calendar Year	Contribution Rate	Reinvestment Yield						Ending Liquid Asset Balance	
		Short-Term		0.15%		Cash Flow Produced By Investments	Reinvested Income		
		7.09%	Long-Term	3.00%					
(1)	(2)	(3)	(4)	(5)	(6)	(7)			
Beginning Liquid Asset Balance	Contribution	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Income		Ending Liquid Asset Balance		
2020	9,698,367	33,707,833	23,098,890	16,450,000	22,353,708	13,466	26,224,484		
2021	26,224,484	64,431,066	45,155,071	33,392,276	33,090,660	1,071,350	46,270,213		
2022	46,270,213	62,662,083	43,622,221	34,060,122	17,888,196	1,431,125	50,569,274		
2023	50,569,274	62,209,874	42,325,593	34,741,324	28,089,451	1,715,564	65,517,247		
2024	65,517,247	61,852,167	40,936,834	35,436,151	13,803,523	1,954,758	66,754,710		
2025	66,754,710	61,496,517	39,709,599	36,144,874	35,561,736	2,320,698	90,279,188		
2026	90,279,188	61,142,912	38,625,717	36,867,771	25,289,307	2,872,457	104,090,376		
2027	104,090,376	60,791,341	37,472,509	37,605,127	18,894,149	3,191,829	111,890,060		
2028	111,890,060	60,441,790	36,314,622	38,357,229	52,262,906	3,927,194	153,850,100		
2029	153,850,100	60,094,250	35,144,666	39,124,374	11,597,356	4,576,841	155,849,507		
2030	155,849,507	13,953,152	31,962,663		39,967,031	5,004,848	182,811,875		
2031	182,811,875		30,618,888		34,433,675	5,541,578	192,168,240		
2032	192,168,240		27,736,781		2,001,275	5,379,015	171,811,750		
2033	171,811,750		25,788,091		14,398,633	4,983,511	165,405,803		
2034	165,405,803		24,034,499		5,765,771	4,688,143	151,825,218		
2035	151,825,218		22,271,570		3,835,928	4,278,222	137,667,797		
2036	137,667,797		20,605,820		2,242,706	3,854,587	123,159,271		
2037	123,159,271		19,020,566		1,729,494	3,435,412	109,303,611		
2038	109,303,611		17,494,610		4,266,231	3,080,683	99,155,916		
2039	99,155,916		16,018,228		661,358	2,744,324	86,543,370		
2040	86,543,370		14,610,142		645,532	2,386,832	74,965,592		
2041	74,965,592		13,253,616		700,500	2,060,671	64,473,147		
2042	64,473,147		12,318,346		405,537	1,755,502	54,315,840		
2043	54,315,840		10,704,956		1,189,627	1,486,745	46,287,257		
2044	46,287,257		9,545,581		346,088	1,250,625	38,338,390		
2045	38,338,390		8,463,893		341,653	1,028,318	31,244,468		
2046	31,244,468		7,451,927		338,794	830,637	24,961,972		
2047	24,961,972		6,525,643		1,734,900	676,998	20,848,226		
2048	20,848,226		5,669,142		2,024,777	570,781	17,774,642		
2049	17,774,642		4,884,204		3,025,528	505,359	16,421,325		
2050	16,421,325		4,164,590		1,071,405	446,242	13,774,382		
2051	13,774,382		3,515,604		1,552,500	383,785	12,195,062		
2052	12,195,062		2,932,807		0	321,860	9,584,115		
2053	9,584,115		2,473,164		0	250,426	7,361,377		
2054	7,361,377		1,961,001		0	191,426	5,591,803		
2055	5,591,803		1,567,457		0	144,242	4,168,588		
2056	4,168,588		1,224,091		0	106,696	3,051,193		
2057	3,051,193		914,521		0	77,818	2,214,490		
2058	2,214,490		645,478		0	56,753	1,625,765		
2059	1,625,765		448,108		0	42,051	1,219,708		
2060	1,219,708		343,799		0	31,434	907,343		
2061	907,343		261,016		0	23,305	669,633		
2062	669,633		196,191		0	17,146	490,588		
2063	490,588		146,041		0	12,527	357,073		
2064	357,073		111,189		0	9,044	254,929		

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - UEF Sensitivity Pessimistic

**Exhibit 1.7
Sheet 1**

Calendar Year	Asset Balance	Reinvestment Yield					
		Contribution Rate		Short-Term	0.15%	Cash Flow Produced By Investments	Reinvested Investment Income
		7.09%	Long-Term	3.00%			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Beginning Liquid							Ending Liquid
Claim Payments	Administrative Expenses						Asset Balance
2065	254,929	77,731		0	6,482		183,680
2066	183,680	56,339		0	4,665		132,006
2067	132,006	40,549		0	3,352		94,809
2068	94,809	29,007		0	2,409		68,211
2069	68,211	20,660		0	1,736		49,287
2070	49,287	14,686		0	1,258		35,860
2071	35,860	10,450		0	919		26,330
2072	26,330	7,469		0	678		19,539
2073	19,539	5,383		0	505		14,662
2074	14,662	3,929		0	381		11,114
2075	11,114	2,913		0	290		8,490
2076	8,490	2,269		0	221		6,442
2077	6,442	1,666		0	168		4,944
2078	4,944	1,292		0	129		3,781
2079	3,781	1,011		0	98		2,869
2080	2,869	792		0	74		2,151
2081	2,151	619		0	55		1,588
2082	1,588	479		0	40		1,149
2083	1,149	365		0	29		813
2084	813	273		0	20		559
2085	559	201		0	14		372
2086	372	144		0	9		237
2087	237	104		0	6		138
2088	138	68		0	3		73
2089	73	45		0	2		29
2090	29	29		0	0		0

Notes: 2020 represents only the second half of the year.

- (1) First row provided by client.
- Subsequent rows are equal to (6) prior.
- (2) From Exhibit 1.1, Sheet 1.
- (3) SF payments from Exhibit 1.1, Sheet 2. UEF payments from Exhibit 3.
- (4) From Exhibit 1.1, Sheet 1.
- (5) Provided by client.
- (6) = [(1) + (2)/2 - (3)/2 - (4)/2 + (5)/2] x Reinvestment Yield.
- (7) = (1) + (2) + (5) + (6) - (3) - (4)

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - UEF Sensitivity Optimistic

**Exhibit 1.7
Sheet 2**

Calendar Year	Contribution Rate	Reinvestment Yield						Ending Liquid Asset Balance	
		Short-Term		0.15%		Cash Flow Produced By Investments	Reinvested Income		
		6.93%	Long-Term	3.00%					
(1)	(2)	(3)	(4)	(5)	(6)	(7)			
Beginning Liquid Asset	Contribution	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Income		Ending Liquid Asset		
Year	Balance	Contributions	Payments	By Investments	Income		Balance		
2020	9,698,367	33,278,416	23,086,707	16,450,000	22,353,708	13,310	25,807,093		
2021	25,807,093	63,010,683	45,067,004	33,392,276	33,090,660	1,038,844	44,487,999		
2022	44,487,999	61,280,697	43,442,521	34,060,122	17,888,196	1,359,634	47,513,882		
2023	47,513,882	60,838,457	42,028,990	34,741,324	28,089,451	1,607,780	61,279,256		
2024	61,279,256	60,488,636	40,500,127	35,436,151	13,803,523	1,813,716	61,448,853		
2025	61,448,853	60,140,826	39,111,083	36,144,874	35,561,736	2,150,165	84,045,622		
2026	84,045,622	59,795,016	37,843,871	36,867,771	25,289,307	2,676,959	97,095,263		
2027	97,095,263	59,451,195	36,486,017	37,605,127	18,894,149	2,976,671	104,326,134		
2028	104,326,134	59,109,350	35,102,396	38,357,229	52,262,906	3,698,473	145,937,238		
2029	145,937,238	58,769,472	33,685,306	39,124,374	11,597,356	4,341,474	147,835,861		
2030	147,835,861	13,645,554	30,915,478		39,967,031	4,775,532	175,308,500		
2031	175,308,500		29,745,079		34,433,675	5,329,584	185,326,680		
2032	185,326,680		26,985,095		2,001,275	5,185,043	165,527,903		
2033	165,527,903		25,140,081		14,398,633	4,804,715	159,591,171		
2034	159,591,171		23,448,288		5,765,771	4,522,497	146,431,151		
2035	146,431,151		21,738,474		3,835,928	4,124,396	132,653,001		
2036	132,653,001		20,115,512		2,242,706	3,711,498	118,491,693		
2037	118,491,693		18,560,984		1,729,494	3,302,278	104,962,482		
2038	104,962,482		17,051,856		4,266,231	2,957,090	95,133,948		
2039	95,133,948		15,592,302		661,358	2,630,054	82,833,058		
2040	82,833,058		14,201,043		645,532	2,281,659	71,559,205		
2041	71,559,205		12,861,346		700,500	1,964,363	61,362,723		
2042	61,362,723		11,942,903		405,537	1,667,821	51,493,177		
2043	51,493,177		10,346,341		1,189,627	1,407,445	43,743,908		
2044	43,743,908		9,204,077		346,088	1,179,447	36,065,367		
2045	36,065,367		8,139,942		341,653	964,987	29,232,065		
2046	29,232,065		7,145,855		338,794	774,856	23,199,860		
2047	23,199,860		6,237,654		1,734,900	628,454	19,325,560		
2048	19,325,560		5,399,311		2,024,777	529,149	16,480,175		
2049	16,480,175		4,633,032		3,025,528	470,293	15,342,963		
2050	15,342,963		3,933,743		1,071,405	417,354	12,897,979		
2051	12,897,979		3,307,411		1,552,500	360,616	11,503,684		
2052	11,503,684		2,749,453		0	303,869	9,058,099		
2053	9,058,099		2,316,679		0	236,993	6,978,414		
2054	6,978,414		1,825,330		0	181,972	5,335,056		
2055	5,335,056		1,457,223		0	138,193	4,016,027		
2056	4,016,027		1,140,226		0	103,377	2,979,178		
2057	2,979,178		861,681		0	76,450	2,193,947		
2058	2,193,947		624,631		0	56,449	1,625,765		
2059	1,625,765		448,108		0	42,051	1,219,708		
2060	1,219,708		343,799		0	31,434	907,343		
2061	907,343		261,016		0	23,305	669,633		
2062	669,633		196,191		0	17,146	490,588		
2063	490,588		146,041		0	12,527	357,073		
2064	357,073		111,189		0	9,044	254,929		

**Kentucky Workers Compensation Funding Commission
Special Fund
Projected Asset Balance - UEF Sensitivity Optimistic**

**Exhibit 1.7
Sheet 2**

Calendar Year	Asset Balance	Reinvestment Yield						
		Contribution Rate		Short-Term	0.15%			
		6.93%		Long-Term	3.00%			
(1)	(2)	(3)	(4)	(5)	(6)	(7)		
		Beginning Liquid Asset Balance					Ending Liquid Asset Balance	
2065	254,929		77,731		0	6,482	183,680	
2066	183,680		56,339		0	4,665	132,006	
2067	132,006		40,549		0	3,352	94,809	
2068	94,809		29,007		0	2,409	68,211	
2069	68,211		20,660		0	1,736	49,287	
2070	49,287		14,686		0	1,258	35,860	
2071	35,860		10,450		0	919	26,330	
2072	26,330		7,469		0	678	19,539	
2073	19,539		5,383		0	505	14,662	
2074	14,662		3,929		0	381	11,114	
2075	11,114		2,913		0	290	8,490	
2076	8,490		2,269		0	221	6,442	
2077	6,442		1,666		0	168	4,944	
2078	4,944		1,292		0	129	3,781	
2079	3,781		1,011		0	98	2,869	
2080	2,869		792		0	74	2,151	
2081	2,151		619		0	55	1,588	
2082	1,588		479		0	40	1,149	
2083	1,149		365		0	29	813	
2084	813		273		0	20	559	
2085	559		201		0	14	372	
2086	372		144		0	9	237	
2087	237		104		0	6	138	
2088	138		68		0	3	73	
2089	73		45		0	2	29	
2090	29		29		0	0	0	

Notes: 2020 represents only the second half of the year.

- (1) First row provided by client.
- Subsequent rows are equal to (6) prior.
- (2) From Exhibit 1.1, Sheet 1.
- (3) SF payments from Exhibit 1.1, Sheet 2. UEF payments from Exhibit 3.
- (4) From Exhibit 1.1, Sheet 1.
- (5) Provided by client.
- (6) = [(1) + (2)/2 - (3)/2 - (4)/2 + (5)/2] x Reinvestment Yield.
- (7) = (1) + (2) + (5) + (6) - (3) - (4)

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Asset Balance - Generational Mortality

**Exhibit 1.8
Sheet 1**

Calendar Year	Contribution Rate	Reinvestment Yield						Ending Liquid Asset Balance	
		Short-Term		0.15%		Cash Flow Produced By Investments	Reinvested Income		
		7.17%	Long-Term	3.00%					
(1)	(2)	(3)	(4)	(5)	(6)	(7)			
Beginning Liquid Asset Balance	Contribution	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Income	Ending Liquid Asset Balance			
2020	9,698,367	33,920,119	23,092,799	16,450,000	22,353,708	13,548	26,442,943		
2021	26,442,943	65,133,243	45,115,689	33,392,276	33,090,660	1,089,027	47,247,908		
2022	47,247,908	63,344,982	43,550,445	34,060,122	17,888,196	1,471,776	52,342,295		
2023	52,342,295	62,887,844	42,217,153	34,741,324	28,089,451	1,780,551	68,141,665		
2024	68,141,665	62,526,239	40,787,818	35,436,151	13,803,523	2,045,837	70,293,294		
2025	70,293,294	62,166,713	39,516,533	36,144,874	35,561,736	2,439,804	94,800,141		
2026	94,800,141	61,809,255	38,384,220	36,867,771	25,289,307	3,021,703	109,668,414		
2027	109,668,414	61,453,852	37,177,021	37,605,127	18,894,149	3,373,540	118,607,807		
2028	118,607,807	61,100,492	35,958,082	38,357,229	52,262,906	4,143,956	161,799,849		
2029	161,799,849	60,749,164	34,718,352	39,124,374	11,597,356	4,831,552	165,135,196		
2030	165,135,196	14,105,215	31,827,968		39,967,031	5,287,720	192,667,194		
2031	192,667,194		30,669,773		34,433,675	5,836,474	202,267,570		
2032	202,267,570		27,907,471		2,001,275	5,679,434	182,040,809		
2033	182,040,809		26,083,792		14,398,633	5,285,947	175,641,597		
2034	175,641,597		24,430,121		5,765,771	4,989,283	161,966,529		
2035	161,966,529		22,757,268		3,835,928	4,575,176	147,620,364		
2036	147,620,364		21,170,047		2,242,706	4,144,701	132,837,725		
2037	132,837,725		19,648,910		1,729,494	3,716,341	118,634,649		
2038	118,634,649		18,170,247		4,266,231	3,350,479	108,081,113		
2039	108,081,113		16,731,676		661,358	3,001,379	95,012,174		
2040	95,012,174		15,351,706		645,532	2,629,773	82,935,772		
2041	82,935,772		14,012,866		700,500	2,288,388	71,911,794		
2042	71,911,794		13,120,934		405,537	1,966,623	61,163,020		
2043	61,163,020		11,465,323		1,189,627	1,680,755	52,568,080		
2044	52,568,080		10,291,024		346,088	1,427,868	44,051,014		
2045	44,051,014		9,185,392		341,653	1,188,874	36,396,149		
2046	36,396,149		8,141,274		338,794	974,847	29,568,516		
2047	29,568,516		7,176,096		1,734,900	805,438	24,932,757		
2048	24,932,757		6,274,934		2,024,777	684,230	21,366,831		
2049	21,366,831		5,441,509		3,025,528	604,765	19,555,615		
2050	19,555,615		4,671,698		1,071,405	532,664	16,487,986		
2051	16,487,986		3,972,530		1,552,500	458,339	14,526,295		
2052	14,526,295		3,340,780		0	385,677	11,571,192		
2053	11,571,192		2,850,457		0	304,379	9,025,113		
2054	9,025,113		2,272,977		0	236,659	6,988,795		
2055	6,988,795		1,838,119		0	182,092	5,332,768		
2056	5,332,768		1,458,182		0	138,110	4,012,696		
2057	4,012,696		1,119,357		0	103,591	2,996,929		
2058	2,996,929		826,590		0	77,509	2,247,848		
2059	2,247,848		604,533		0	58,367	1,701,683		
2060	1,701,683		469,191		0	44,013	1,276,504		
2061	1,276,504		360,035		0	32,895	949,364		
2062	949,364		273,342		0	24,381	700,402		
2063	700,402		205,355		0	17,932	512,979		
2064	512,979		157,613		0	13,025	368,392		

**Kentucky Workers Compensation Funding Commission
Special Fund
Projected Asset Balance - Generational Mortality**

**Exhibit 1.8
Sheet 1**

Calendar Year	Contribution Rate		Reinvestment Yield				
	7.17%		Short-Term	0.15%			
			Long-Term	3.00%			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Beginning Liquid Asset	Contributions	Claim Payments	Administrative Expenses	Cash Flow Produced By Investments	Reinvested Investment Income	Ending Liquid Asset Balance
2065	368,392		110,940		0	9,388	266,840
2066	266,840		80,884		0	6,792	192,748
2067	192,748		58,505		0	4,905	139,148
2068	139,148		42,004		0	3,544	100,688
2069	100,688		29,997		0	2,571	73,262
2070	73,262		21,363		0	1,877	53,776
2071	53,776		15,229		0	1,385	39,932
2072	39,932		10,912		0	1,034	30,054
2073	30,054		7,889		0	783	22,949
2074	22,949		5,790		0	602	17,760
2075	17,760		4,333		0	468	13,895
2076	13,895		3,428		0	365	10,833
2077	10,833		2,569		0	286	8,551
2078	8,551		2,043		0	226	6,734
2079	6,734		1,648		0	177	5,263
2080	5,263		1,333		0	138	4,068
2081	4,068		1,081		0	106	3,093
2082	3,093		871		0	80	2,302
2083	2,302		688		0	59	1,672
2084	1,672		535		0	42	1,179
2085	1,179		409		0	29	799
2086	799		301		0	19	517
2087	517		224		0	12	305
2088	305		151		0	7	161
2089	161		100		0	3	64
2090	64		65		0	1	0

Notes: 2020 represents only the second half of the year.

- (1) First row provided by client.
- Subsequent rows are equal to (6) prior.
- (2) From Exhibit 1.1, Sheet 1.
- (3) From Exhibit 1.1, Sheet 2.
- (4) From Exhibit 1.1, Sheet 1.
- (5) Provided by client.
- (6) = [(1) + (2)/2 - (3)/2 - (4)/2 + (5)/2] x Reinvestment Yield.
- (7) = (1) + (2) + (5) + (6) - (3) - (4)

**Kentucky Workers Compensation Funding Commission
Special Fund**

**Exhibit 1.8
Sheet 2**

Projected Payments and Liability as of June 30, 2020 - Generational Mortality

Discount Rate
3.25%

	(1)	(2)	(3)	(4)	(5)	(6)
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Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments
2020	20,309,668	2,783,131	0.9920	20,147,924	2,760,967	22,908,890
2021	39,354,319	5,761,370	0.9685	38,115,563	5,580,019	43,695,583
2022	37,576,603	5,973,842	0.9380	35,248,237	5,603,684	40,851,920
2023	36,035,958	6,181,196	0.9085	32,739,036	5,615,679	38,354,715
2024	34,402,109	6,385,709	0.8799	30,270,865	5,618,869	35,889,734
2025	32,922,784	6,593,750	0.8522	28,057,324	5,619,299	33,676,623
2026	31,579,490	6,804,730	0.8254	26,065,421	5,616,562	31,681,983
2027	30,159,458	7,017,563	0.7994	24,109,773	5,609,910	29,719,682
2028	28,723,659	7,234,423	0.7742	22,239,206	5,601,230	27,840,436
2029	27,260,727	7,457,625	0.7499	20,442,165	5,592,294	26,034,459
2030	25,802,707	6,025,261	0.7263	18,739,788	4,375,980	23,115,767
2031	25,379,988	5,289,786	0.7034	17,852,570	3,720,895	21,573,465
2032	23,179,112	4,728,359	0.6813	15,791,234	3,221,289	19,012,523
2033	21,838,183	4,245,609	0.6598	14,409,394	2,801,362	17,210,756
2034	20,537,847	3,892,274	0.6391	13,124,842	2,487,382	15,612,224
2035	19,180,194	3,577,074	0.6189	11,871,404	2,213,997	14,085,401
2036	17,867,856	3,302,190	0.5995	10,711,036	1,979,526	12,690,562
2037	16,581,328	3,067,582	0.5806	9,626,940	1,781,005	11,407,945
2038	15,295,985	2,874,262	0.5623	8,601,147	1,616,238	10,217,385
2039	14,046,016	2,685,660	0.5446	7,649,658	1,462,648	9,112,306
2040	12,850,069	2,501,638	0.5275	6,778,042	1,319,542	8,097,584
2041	11,688,942	2,323,924	0.5109	5,971,507	1,187,218	7,158,725
2042	10,967,187	2,153,747	0.4948	5,426,427	1,065,647	6,492,073
2043	9,477,506	1,987,817	0.4792	4,541,744	952,588	5,494,332
2044	8,466,057	1,824,967	0.4641	3,929,341	847,020	4,776,361
2045	7,519,584	1,665,808	0.4495	3,380,199	748,813	4,129,013
2046	6,629,908	1,511,366	0.4354	2,886,463	658,003	3,544,466
2047	5,812,225	1,363,871	0.4217	2,450,817	575,098	3,025,914
2048	5,054,104	1,220,830	0.4084	2,064,061	498,578	2,562,639
2049	4,363,910	1,077,598	0.3955	1,726,093	426,231	2,152,324
2050	3,735,536	936,162	0.3831	1,431,038	358,632	1,789,670
2051	3,172,395	800,136	0.3710	1,177,051	296,874	1,473,925
2052	2,671,098	669,682	0.3594	959,860	240,651	1,200,511
2053	2,305,488	544,969	0.3480	802,400	189,671	992,071
2054	1,827,502	445,475	0.3371	616,021	150,163	766,184
2055	1,495,122	342,997	0.3265	488,118	111,979	600,097
2056	1,211,085	247,097	0.3162	382,941	78,131	461,073
2057	971,037	148,321	0.3062	297,374	45,422	342,797
2058	770,355	56,234	0.2966	228,491	16,679	245,170
2059	604,533		0.2873	173,663	0	173,663
2060	469,191		0.2782	130,541	0	130,541
2061	360,035		0.2695	97,018	0	97,018
2062	273,342		0.2610	71,339	0	71,339
2063	205,355		0.2528	51,908	0	51,908
2064	157,613		0.2448	38,586	0	38,586

**Kentucky Workers Compensation Funding Commission
Special Fund**

**Exhibit 1.8
Sheet 2**

Projected Payments and Liability as of June 30, 2020 - Generational Mortality

Discount Rate

3.25%

(1)	(2)	(3)	(4)	(5)	(6)
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Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments
2065	110,940		0.2371	26,305	0	26,305
2066	80,884		0.2296	18,575	0	18,575
2067	58,505		0.2224	13,012	0	13,012
2068	42,004		0.2154	9,048	0	9,048
2069	29,997		0.2086	6,258	0	6,258
2070	21,363		0.2021	4,317	0	4,317
2071	15,229		0.1957	2,980	0	2,980
2072	10,912		0.1895	2,068	0	2,068
2073	7,889		0.1836	1,448	0	1,448
2074	5,790		0.1778	1,029	0	1,029
2075	4,333		0.1722	746	0	746
2076	3,428		0.1668	572	0	572
2077	2,569		0.1615	415	0	415
2078	2,043		0.1565	320	0	320
2079	1,648		0.1515	250	0	250
2080	1,333		0.1468	196	0	196
2081	1,081		0.1421	154	0	154
2082	871		0.1377	120	0	120
2083	688		0.1333	92	0	92
2084	535		0.1291	69	0	69
2085	409		0.1251	51	0	51
2086	301		0.1211	37	0	37
2087	224		0.1173	26	0	26
2088	151		0.1136	17	0	17
2089	100		0.1100	11	0	11
2090	65		0.1066	7	0	7
Total	621,496,463	123,704,032		452,002,692	88,645,774	540,648,465

Notes: (1) based on claim-level analysis of open/pending claims as of June 30, 2020.

Uses generational mortality from 1994 GAM table.

(2) From Exhibit 3.

(3) Based on selected discount rate.

(4) and (5) equals (3) multiplied by corresponding amounts in (1) and (2).

(6) = (4) + (5)

No IBNR or claim re-openings assumed after June 30, 2020 based on history of these claims.

**Kentucky Workers Compensation Funding Commission
Special Fund**

**Exhibit 1.9
Sheet 1**

Projected Payments and Liability as of June 30, 2020 - Alternate Discount Rates

Discount Rate 1.00%				(1)	(2)	(3)	(4)	(5)	(6)
Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments			
2020	20,309,668	2,783,131	0.9975	20,259,208	2,776,217	23,035,425			
2021	39,349,424	5,761,370	0.9901	38,959,826	5,704,327	44,664,152			
2022	37,557,398	5,973,842	0.9803	36,817,369	5,856,134	42,673,502			
2023	35,993,134	6,181,196	0.9706	34,934,581	5,999,407	40,933,988			
2024	34,326,754	6,385,709	0.9610	32,987,336	6,136,541	39,123,877			
2025	32,806,026	6,593,750	0.9515	31,213,808	6,273,727	37,487,534			
2026	31,413,196	6,804,730	0.9420	29,592,652	6,410,364	36,003,016			
2027	29,936,509	7,017,563	0.9327	27,922,322	6,545,407	34,467,729			
2028	28,438,274	7,234,423	0.9235	26,262,269	6,680,868	32,943,137			
2029	26,908,352	7,457,625	0.9143	24,603,378	6,818,804	31,422,181			
2030	25,380,175	6,025,261	0.9053	22,976,342	5,454,591	28,430,932			
2031	24,864,512	5,289,786	0.8963	22,286,652	4,741,360	27,028,012			
2032	22,609,022	4,728,359	0.8874	20,064,359	4,196,178	24,260,537			
2033	21,198,566	4,245,609	0.8787	18,626,388	3,730,458	22,356,845			
2034	19,831,264	3,892,274	0.8700	17,252,465	3,386,134	20,638,599			
2035	18,411,913	3,577,074	0.8613	15,859,091	3,081,111	18,940,202			
2036	17,043,933	3,302,190	0.8528	14,535,428	2,816,178	17,351,606			
2037	15,709,703	3,067,582	0.8444	13,264,920	2,590,197	15,855,117			
2038	14,385,959	2,874,262	0.8360	12,026,911	2,402,933	14,429,844			
2039	13,107,072	2,685,660	0.8277	10,849,246	2,223,028	13,072,275			
2040	11,891,900	2,501,638	0.8195	9,745,941	2,050,203	11,796,144			
2041	10,721,981	2,323,924	0.8114	8,700,139	1,885,702	10,585,841			
2042	9,965,780	2,153,747	0.8034	8,006,470	1,730,312	9,736,782			
2043	8,527,212	1,987,817	0.7954	6,782,901	1,581,192	8,364,093			
2044	7,539,721	1,824,967	0.7876	5,938,029	1,437,282	7,375,311			
2045	6,626,449	1,665,808	0.7798	5,167,096	1,298,945	6,466,041			
2046	5,778,354	1,511,366	0.7720	4,461,166	1,166,847	5,628,013			
2047	5,009,106	1,363,871	0.7644	3,828,980	1,042,548	4,871,528			
2048	4,305,237	1,220,830	0.7568	3,258,356	923,967	4,182,324			
2049	3,673,387	1,077,598	0.7493	2,752,624	807,490	3,560,113			
2050	3,105,918	936,162	0.7419	2,304,352	694,560	2,998,912			
2051	2,604,869	800,136	0.7346	1,913,478	587,761	2,501,239			
2052	2,165,590	669,682	0.7273	1,575,042	487,063	2,062,105			
2053	1,844,825	544,969	0.7201	1,328,464	392,434	1,720,898			
2054	1,443,036	445,475	0.7130	1,028,846	317,612	1,346,458			
2055	1,165,384	342,997	0.7059	822,661	242,126	1,064,787			
2056	931,890	247,097	0.6989	651,321	172,702	824,023			
2057	737,684	148,321	0.6920	510,481	102,639	613,119			
2058	577,959	56,234	0.6852	395,990	38,529	434,520			
2059	448,108		0.6784	303,983	0	303,983			
2060	343,799		0.6717	230,914	0	230,914			
2061	261,016		0.6650	173,576	0	173,576			
2062	196,191		0.6584	129,176	0	129,176			
2063	146,041		0.6519	95,204	0	95,204			
2064	111,189		0.6454	71,766	0	71,766			

**Kentucky Workers Compensation Funding Commission
Special Fund**

**Exhibit 1.9
Sheet 1**

Projected Payments and Liability as of June 30, 2020 - Alternate Discount Rates

Discount Rate 1.00%				(1)	(2)	(3)	(4)	(5)	(6)
Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments			
2065	77,731		0.6391	49,674	0	49,674			
2066	56,339		0.6327	35,647	0	35,647			
2067	40,549		0.6265	25,403	0	25,403			
2068	29,007		0.6203	17,992	0	17,992			
2069	20,660		0.6141	12,688	0	12,688			
2070	14,686		0.6080	8,929	0	8,929			
2071	10,450		0.6020	6,291	0	6,291			
2072	7,469		0.5961	4,452	0	4,452			
2073	5,383		0.5902	3,177	0	3,177			
2074	3,929		0.5843	2,296	0	2,296			
2075	2,913		0.5785	1,685	0	1,685			
2076	2,269		0.5728	1,300	0	1,300			
2077	1,666		0.5671	945	0	945			
2078	1,292		0.5615	725	0	725			
2079	1,011		0.5560	562	0	562			
2080	792		0.5504	436	0	436			
2081	619		0.5450	337	0	337			
2082	479		0.5396	259	0	259			
2083	365		0.5343	195	0	195			
2084	273		0.5290	145	0	145			
2085	201		0.5237	105	0	105			
2086	144		0.5185	75	0	75			
2087	104		0.5134	54	0	54			
2088	68		0.5083	35	0	35			
2089	45		0.5033	23	0	23			
2090	29		0.4983	15	0	15			
Total	599,981,950	123,704,032		541,644,948	110,783,877	652,428,825			

Notes: (1) based on claim-level analysis of open/pending claims as of June 30, 2020.

Uses static mortality at 2020 level from 1994 GAM table.

(2) From Exhibit 3.

(3) Based on selected discount rate.

(4) and (5) equals (3) multiplied by corresponding amounts in (1) and (2).

(6) = (4) + (5)

No IBNR or claim re-openings assumed after June 30, 2020 based on history of these claims.

**Kentucky Workers Compensation Funding Commission
Special Fund**

**Exhibit 1.9
Sheet 2**

Projected Payments and Liability as of June 30, 2020 - Alternate Discount Rates

Discount Rate
2.00%

(1)	(2)	(3)	(4)	(5)	(6)
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Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted	Discounted	Discounted
				SF Payments	UEF Payments	SF and UEF Payments
2020	20,309,668	2,783,131	0.9951	20,209,370	2,769,387	22,978,757
2021	39,349,424	5,761,370	0.9804	38,577,867	5,648,402	44,226,269
2022	37,557,398	5,973,842	0.9612	36,098,998	5,741,870	41,840,869
2023	35,993,134	6,181,196	0.9423	33,917,134	5,824,679	39,741,812
2024	34,326,754	6,385,709	0.9238	31,712,614	5,899,408	37,612,023
2025	32,806,026	6,593,750	0.9057	29,713,428	5,972,162	35,685,591
2026	31,413,196	6,804,730	0.8880	27,894,019	6,042,406	33,936,425
2027	29,936,509	7,017,563	0.8706	26,061,532	6,109,210	32,170,743
2028	28,438,274	7,234,423	0.8535	24,271,793	6,174,510	30,446,303
2029	26,908,352	7,457,625	0.8368	22,515,705	6,240,207	28,755,912
2030	25,380,175	6,025,261	0.8203	20,820,584	4,942,813	25,763,397
2031	24,864,512	5,289,786	0.8043	19,997,608	4,254,379	24,251,987
2032	22,609,022	4,728,359	0.7885	17,827,059	3,728,278	21,555,338
2033	21,198,566	4,245,609	0.7730	16,387,181	3,281,994	19,669,175
2034	19,831,264	3,892,274	0.7579	15,029,619	2,949,857	17,979,476
2035	18,411,913	3,577,074	0.7430	13,680,322	2,657,819	16,338,141
2036	17,043,933	3,302,190	0.7284	12,415,582	2,405,467	14,821,048
2037	15,709,703	3,067,582	0.7142	11,219,282	2,190,752	13,410,034
2038	14,385,959	2,874,262	0.7002	10,072,464	2,012,441	12,084,906
2039	13,107,072	2,685,660	0.6864	8,997,097	1,843,520	10,840,617
2040	11,891,900	2,501,638	0.6730	8,002,908	1,683,530	9,686,438
2041	10,721,981	2,323,924	0.6598	7,074,104	1,533,269	8,607,372
2042	9,965,780	2,153,747	0.6468	6,446,255	1,393,127	7,839,383
2043	8,527,212	1,987,817	0.6342	5,407,582	1,260,586	6,668,168
2044	7,539,721	1,824,967	0.6217	4,687,606	1,134,621	5,822,227
2045	6,626,449	1,665,808	0.6095	4,039,025	1,015,362	5,054,387
2046	5,778,354	1,511,366	0.5976	3,453,025	903,161	4,356,185
2047	5,009,106	1,363,871	0.5859	2,934,645	799,040	3,733,685
2048	4,305,237	1,220,830	0.5744	2,472,819	701,214	3,174,032
2049	3,673,387	1,077,598	0.5631	2,068,529	606,809	2,675,338
2050	3,105,918	936,162	0.5521	1,714,687	516,828	2,231,515
2051	2,604,869	800,136	0.5412	1,409,875	433,070	1,842,945
2052	2,165,590	669,682	0.5306	1,149,134	355,356	1,504,490
2053	1,844,825	544,969	0.5202	959,731	283,509	1,243,239
2054	1,443,036	445,475	0.5100	735,989	227,205	963,194
2055	1,165,384	342,997	0.5000	582,724	171,508	754,232
2056	931,890	247,097	0.4902	456,834	121,133	577,967
2057	737,684	148,321	0.4806	354,539	71,285	425,823
2058	577,959	56,234	0.4712	272,327	26,497	298,824
2059	448,108		0.4619	207,003	0	207,003
2060	343,799		0.4529	155,703	0	155,703
2061	261,016		0.4440	115,894	0	115,894
2062	196,191		0.4353	85,403	0	85,403
2063	146,041		0.4268	62,326	0	62,326
2064	111,189		0.4184	46,522	0	46,522

Kentucky Workers Compensation Funding Commission
Special Fund
Projected Payments and Liability as of June 30, 2020 - Alternate Discount Rates

Exhibit 1.9
Sheet 2

Discount Rate
 2.00%

(1)	(2)	(3)	(4)	(5)	(6)
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Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments
2065	77,731		0.4102	31,885	0	31,885
2066	56,339		0.4022	22,657	0	22,657
2067	40,549		0.3943	15,987	0	15,987
2068	29,007		0.3865	11,212	0	11,212
2069	20,660		0.3790	7,829	0	7,829
2070	14,686		0.3715	5,456	0	5,456
2071	10,450		0.3642	3,806	0	3,806
2072	7,469		0.3571	2,667	0	2,667
2073	5,383		0.3501	1,884	0	1,884
2074	3,929		0.3432	1,349	0	1,349
2075	2,913		0.3365	980	0	980
2076	2,269		0.3299	749	0	749
2077	1,666		0.3234	539	0	539
2078	1,292		0.3171	410	0	410
2079	1,011		0.3109	314	0	314
2080	792		0.3048	241	0	241
2081	619		0.2988	185	0	185
2082	479		0.2929	140	0	140
2083	365		0.2872	105	0	105
2084	273		0.2816	77	0	77
2085	201		0.2761	56	0	56
2086	144		0.2706	39	0	39
2087	104		0.2653	28	0	28
2088	68		0.2601	18	0	18
2089	45		0.2550	12	0	12
2090	29		0.2500	7	0	7
Total	599,981,950	123,704,032		492,423,080	99,926,669	592,349,749

Notes: (1) based on claim-level analysis of open/pending claims as of June 30, 2020.

Uses static mortality at 2020 level from 1994 GAM table.

(2) From Exhibit 3.

(3) Based on selected discount rate.

(4) and (5) equals (3) multiplied by corresponding amounts in (1) and (2).

(6) = (4) + (5)

No IBNR or claim re-openings assumed after June 30, 2020 based on history of these claims.

**Kentucky Workers Compensation Funding Commission
Special Fund**

**Exhibit 1.9
Sheet 3**

Projected Payments and Liability as of June 30, 2020 - Alternate Discount Rates

Discount Rate
3.00%

	(1)	(2)	(3)	(4)	(5)	(6)
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Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments
2020	20,309,668	2,783,131	0.9926	20,160,138	2,762,641	22,922,779
2021	39,349,424	5,761,370	0.9709	38,203,324	5,593,563	43,796,887
2022	37,557,398	5,973,842	0.9426	35,401,450	5,630,919	41,032,369
2023	35,993,134	6,181,196	0.9151	32,938,816	5,656,670	38,595,486
2024	34,326,754	6,385,709	0.8885	30,498,876	5,673,620	36,172,496
2025	32,806,026	6,593,750	0.8626	28,298,766	5,687,826	33,986,592
2026	31,413,196	6,804,730	0.8375	26,308,057	5,698,854	32,006,912
2027	29,936,509	7,017,563	0.8131	24,341,121	5,705,921	30,047,041
2028	28,438,274	7,234,423	0.7894	22,449,436	5,710,920	28,160,356
2029	26,908,352	7,457,625	0.7664	20,623,011	5,715,649	26,338,660
2030	25,380,175	6,025,261	0.7441	18,885,234	4,483,360	23,368,594
2031	24,864,512	5,289,786	0.7224	17,962,652	3,821,454	21,784,106
2032	22,609,022	4,728,359	0.7014	15,857,513	3,316,376	19,173,889
2033	21,198,566	4,245,609	0.6810	14,435,192	2,891,053	17,326,245
2034	19,831,264	3,892,274	0.6611	13,110,801	2,573,251	15,684,053
2035	18,411,913	3,577,074	0.6419	11,817,906	2,295,988	14,113,894
2036	17,043,933	3,302,190	0.6232	10,621,215	2,057,816	12,679,031
2037	15,709,703	3,067,582	0.6050	9,504,629	1,855,937	11,360,566
2038	14,385,959	2,874,262	0.5874	8,450,235	1,688,326	10,138,561
2039	13,107,072	2,685,660	0.5703	7,474,780	1,531,595	9,006,374
2040	11,891,900	2,501,638	0.5537	6,584,257	1,385,096	7,969,353
2041	10,721,981	2,323,924	0.5375	5,763,593	1,249,223	7,012,817
2042	9,965,780	2,153,747	0.5219	5,201,066	1,124,024	6,325,090
2043	8,527,212	1,987,817	0.5067	4,320,668	1,007,210	5,327,878
2044	7,539,721	1,824,967	0.4919	3,709,043	897,763	4,606,806
2045	6,626,449	1,665,808	0.4776	3,164,829	795,599	3,960,428
2046	5,778,354	1,511,366	0.4637	2,679,392	700,812	3,380,204
2047	5,009,106	1,363,871	0.4502	2,255,045	614,000	2,869,044
2048	4,305,237	1,220,830	0.4371	1,881,719	533,596	2,415,315
2049	3,673,387	1,077,598	0.4243	1,558,788	457,275	2,016,063
2050	3,105,918	936,162	0.4120	1,279,597	385,686	1,665,283
2051	2,604,869	800,136	0.4000	1,041,914	320,044	1,361,958
2052	2,165,590	669,682	0.3883	840,979	260,062	1,101,041
2053	1,844,825	544,969	0.3770	695,547	205,468	901,015
2054	1,443,036	445,475	0.3660	528,216	163,064	691,280
2055	1,165,384	342,997	0.3554	414,158	121,895	536,053
2056	931,890	247,097	0.3450	321,532	85,257	406,789
2057	737,684	148,321	0.3350	247,112	49,685	296,796
2058	577,959	56,234	0.3252	187,967	18,289	206,256
2059	448,108		0.3158	141,492	0	141,492
2060	343,799		0.3066	105,394	0	105,394
2061	261,016		0.2976	77,686	0	77,686
2062	196,191		0.2890	56,691	0	56,691
2063	146,041		0.2805	40,971	0	40,971
2064	111,189		0.2724	30,285	0	30,285

**Kentucky Workers Compensation Funding Commission
Special Fund**

**Exhibit 1.9
Sheet 3**

Projected Payments and Liability as of June 30, 2020 - Alternate Discount Rates

Discount Rate 3.00%				(1)	(2)	(3)	(4)	(5)	(6)
Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments			
2065	77,731		0.2644	20,555	0	20,555			
2066	56,339		0.2567	14,464	0	14,464			
2067	40,549		0.2493	10,107	0	10,107			
2068	29,007		0.2420	7,020	0	7,020			
2069	20,660		0.2350	4,854	0	4,854			
2070	14,686		0.2281	3,350	0	3,350			
2071	10,450		0.2215	2,314	0	2,314			
2072	7,469		0.2150	1,606	0	1,606			
2073	5,383		0.2088	1,124	0	1,124			
2074	3,929		0.2027	796	0	796			
2075	2,913		0.1968	573	0	573			
2076	2,269		0.1910	434	0	434			
2077	1,666		0.1855	309	0	309			
2078	1,292		0.1801	233	0	233			
2079	1,011		0.1748	177	0	177			
2080	792		0.1697	134	0	134			
2081	619		0.1648	102	0	102			
2082	479		0.1600	77	0	77			
2083	365		0.1553	57	0	57			
2084	273		0.1508	41	0	41			
2085	201		0.1464	29	0	29			
2086	144		0.1421	20	0	20			
2087	104		0.1380	14	0	14			
2088	68		0.1340	9	0	9			
2089	45		0.1301	6	0	6			
2090	29		0.1263	4	0	4			
Total	599,981,950	123,704,032		450,539,504	90,725,787	541,265,291			

Notes: (1) based on claim-level analysis of open/pending claims as of June 30, 2020.

Uses static mortality at 2020 level from 1994 GAM table.

(2) From Exhibit 3.

(3) Based on selected discount rate.

(4) and (5) equals (3) multiplied by corresponding amounts in (1) and (2).

(6) = (4) + (5)

No IBNR or claim re-openings assumed after June 30, 2020 based on history of these claims.

**Kentucky Workers Compensation Funding Commission
Special Fund**

**Exhibit 1.9
Sheet 4**

Projected Payments and Liability as of June 30, 2020 - Alternate Discount Rates

Discount Rate
4.00%

(1)	(2)	(3)	(4)	(5)	(6)
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Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted	Discounted	Discounted
				SF Payments	UEF Payments	SF and UEF Payments
2020	20,309,668	2,783,131	0.9902	20,111,501	2,755,975	22,867,476
2021	39,349,424	5,761,370	0.9615	37,835,985	5,539,779	43,375,763
2022	37,557,398	5,973,842	0.9246	34,723,926	5,523,153	40,247,078
2023	35,993,134	6,181,196	0.8890	31,997,765	5,495,060	37,492,825
2024	34,326,754	6,385,709	0.8548	29,342,653	5,458,531	34,801,184
2025	32,806,026	6,593,750	0.8219	26,964,162	5,419,582	32,383,743
2026	31,413,196	6,804,730	0.7903	24,826,305	5,377,877	30,204,182
2027	29,936,509	7,017,563	0.7599	22,749,286	5,332,771	28,082,057
2028	28,438,274	7,234,423	0.7307	20,779,568	5,286,122	26,065,690
2029	26,908,352	7,457,625	0.7026	18,905,451	5,239,628	24,145,080
2030	25,380,175	6,025,261	0.6756	17,145,937	4,070,451	21,216,388
2031	24,864,512	5,289,786	0.6496	16,151,513	3,436,144	19,587,657
2032	22,609,022	4,728,359	0.6246	14,121,528	2,953,319	17,074,847
2033	21,198,566	4,245,609	0.6006	12,731,310	2,549,803	15,281,112
2034	19,831,264	3,892,274	0.5775	11,452,061	2,247,691	13,699,752
2035	18,411,913	3,577,074	0.5553	10,223,482	1,986,222	12,209,704
2036	17,043,933	3,302,190	0.5339	9,099,895	1,763,066	10,862,962
2037	15,709,703	3,067,582	0.5134	8,064,941	1,574,814	9,639,756
2038	14,385,959	2,874,262	0.4936	7,101,314	1,418,817	8,520,130
2039	13,107,072	2,685,660	0.4746	6,221,172	1,274,728	7,495,901
2040	11,891,900	2,501,638	0.4564	5,427,308	1,141,715	6,569,023
2041	10,721,981	2,323,924	0.4388	4,705,166	1,019,816	5,724,981
2042	9,965,780	2,153,747	0.4220	4,205,114	908,785	5,113,899
2043	8,527,212	1,987,817	0.4057	3,459,715	806,510	4,266,224
2044	7,539,721	1,824,967	0.3901	2,941,407	711,959	3,653,366
2045	6,626,449	1,665,808	0.3751	2,485,692	624,873	3,110,565
2046	5,778,354	1,511,366	0.3607	2,084,190	545,133	2,629,323
2047	5,009,106	1,363,871	0.3468	1,737,241	473,013	2,210,254
2048	4,305,237	1,220,830	0.3335	1,435,700	407,119	1,842,819
2049	3,673,387	1,077,598	0.3207	1,177,877	345,533	1,523,410
2050	3,105,918	936,162	0.3083	957,613	288,636	1,246,249
2051	2,604,869	800,136	0.2965	772,240	237,208	1,009,449
2052	2,165,590	669,682	0.2851	617,319	190,898	808,217
2053	1,844,825	544,969	0.2741	505,656	149,373	655,029
2054	1,443,036	445,475	0.2636	380,315	117,406	497,721
2055	1,165,384	342,997	0.2534	295,326	86,921	382,247
2056	931,890	247,097	0.2437	227,072	60,210	287,282
2057	737,684	148,321	0.2343	172,837	34,751	207,588
2058	577,959	56,234	0.2253	130,206	12,669	142,874
2059	448,108		0.2166	97,069	0	97,069
2060	343,799		0.2083	71,610	0	71,610
2061	261,016		0.2003	52,276	0	52,276
2062	196,191		0.1926	37,781	0	37,781
2063	146,041		0.1852	27,042	0	27,042
2064	111,189		0.1780	19,797	0	19,797

**Kentucky Workers Compensation Funding Commission
Special Fund**

**Exhibit 1.9
Sheet 4**

Projected Payments and Liability as of June 30, 2020 - Alternate Discount Rates

Discount Rate

4.00%

(1)	(2)	(3)	(4)	(5)	(6)
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Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments
2065	77,731		0.1712	13,307	0	13,307
2066	56,339		0.1646	9,274	0	9,274
2067	40,549		0.1583	6,418	0	6,418
2068	29,007		0.1522	4,415	0	4,415
2069	20,660		0.1463	3,023	0	3,023
2070	14,686		0.1407	2,066	0	2,066
2071	10,450		0.1353	1,414	0	1,414
2072	7,469		0.1301	972	0	972
2073	5,383		0.1251	673	0	673
2074	3,929		0.1203	473	0	473
2075	2,913		0.1157	337	0	337
2076	2,269		0.1112	252	0	252
2077	1,666		0.1069	178	0	178
2078	1,292		0.1028	133	0	133
2079	1,011		0.0989	100	0	100
2080	792		0.0951	75	0	75
2081	619		0.0914	57	0	57
2082	479		0.0879	42	0	42
2083	365		0.0845	31	0	31
2084	273		0.0813	22	0	22
2085	201		0.0781	16	0	16
2086	144		0.0751	11	0	11
2087	104		0.0722	8	0	8
2088	68		0.0695	5	0	5
2089	45		0.0668	3	0	3
2090	29		0.0642	2	0	2
Total	599,981,950	123,704,032		414,616,628	82,866,061	497,482,689

Notes: (1) based on claim-level analysis of open/pending claims as of June 30, 2020.

Uses static mortality at 2020 level from 1994 GAM table.

(2) From Exhibit 3.

(3) Based on selected discount rate.

(4) and (5) equals (3) multiplied by corresponding amounts in (1) and (2).

(6) = (4) + (5)

No IBNR or claim re-openings assumed after June 30, 2020 based on history of these claims.

**Kentucky Workers Compensation Funding Commission
Special Fund**

**Exhibit 1.9
Sheet 5**

Projected Payments and Liability as of June 30, 2020 - Alternate Discount Rates

Discount Rate
5.00%

(1)	(2)	(3)	(4)	(5)	(6)
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Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments
2020	20,309,668	2,783,131	0.9879	20,063,444	2,749,390	22,812,834
2021	39,349,424	5,761,370	0.9524	37,475,642	5,487,019	42,962,661
2022	37,557,398	5,973,842	0.9070	34,065,667	5,418,451	39,484,118
2023	35,993,134	6,181,196	0.8638	31,092,222	5,339,549	36,431,771
2024	34,326,754	6,385,709	0.8227	28,240,705	5,253,539	33,494,244
2025	32,806,026	6,593,750	0.7835	25,704,380	5,166,375	30,870,755
2026	31,413,196	6,804,730	0.7462	23,441,011	5,077,794	28,518,805
2027	29,936,509	7,017,563	0.7107	21,275,318	4,987,251	26,262,568
2028	28,438,274	7,234,423	0.6768	19,248,143	4,896,542	24,144,685
2029	26,908,352	7,457,625	0.6446	17,345,364	4,807,252	22,152,615
2030	25,380,175	6,025,261	0.6139	15,581,226	3,698,988	19,280,214
2031	24,864,512	5,289,786	0.5847	14,537,765	3,092,828	17,630,593
2032	22,609,022	4,728,359	0.5568	12,589,549	2,632,927	15,222,476
2033	21,198,566	4,245,609	0.5303	11,242,052	2,251,537	13,493,590
2034	19,831,264	3,892,274	0.5051	10,016,136	1,965,863	11,981,998
2035	18,411,913	3,577,074	0.4810	8,856,445	1,720,634	10,577,079
2036	17,043,933	3,302,190	0.4581	7,808,022	1,512,771	9,320,793
2037	15,709,703	3,067,582	0.4363	6,854,091	1,338,376	8,192,467
2038	14,385,959	2,874,262	0.4155	5,977,663	1,194,315	7,171,978
2039	13,107,072	2,685,660	0.3957	5,186,913	1,062,807	6,249,720
2040	11,891,900	2,501,638	0.3769	4,481,932	942,841	5,424,773
2041	10,721,981	2,323,924	0.3589	3,848,573	834,155	4,682,728
2042	9,965,780	2,153,747	0.3418	3,406,801	736,258	4,143,059
2043	8,527,212	1,987,817	0.3256	2,776,216	647,176	3,423,392
2044	7,539,721	1,824,967	0.3101	2,337,825	565,864	2,903,689
2045	6,626,449	1,665,808	0.2953	1,956,809	491,918	2,448,727
2046	5,778,354	1,511,366	0.2812	1,625,108	425,058	2,050,166
2047	5,009,106	1,363,871	0.2678	1,341,681	365,311	1,706,991
2048	4,305,237	1,220,830	0.2551	1,098,239	311,426	1,409,664
2049	3,673,387	1,077,598	0.2429	892,436	261,798	1,154,234
2050	3,105,918	936,162	0.2314	718,639	216,607	935,246
2051	2,604,869	800,136	0.2204	574,008	176,317	750,325
2052	2,165,590	669,682	0.2099	454,484	140,544	595,028
2053	1,844,825	544,969	0.1999	368,730	108,924	477,654
2054	1,443,036	445,475	0.1904	274,689	84,798	359,487
2055	1,165,384	342,997	0.1813	211,273	62,182	273,455
2056	931,890	247,097	0.1727	160,898	42,663	203,561
2057	737,684	148,321	0.1644	121,302	24,389	145,691
2058	577,959	56,234	0.1566	90,511	8,807	99,318
2059	448,108		0.1491	66,834	0	66,834
2060	343,799		0.1420	48,835	0	48,835
2061	261,016		0.1353	35,311	0	35,311
2062	196,191		0.1288	25,277	0	25,277
2063	146,041		0.1227	17,920	0	17,920
2064	111,189		0.1169	12,994	0	12,994

Kentucky Workers Compensation Funding Commission
Special Fund
Projected Payments and Liability as of June 30, 2020 - Alternate Discount Rates

Exhibit 1.9
Sheet 5

Discount Rate

5.00%

(1)	(2)	(3)	(4)	(5)	(6)
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Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments
2065	77,731		0.1113	8,651	0	8,651
2066	56,339		0.1060	5,972	0	5,972
2067	40,549		0.1009	4,093	0	4,093
2068	29,007		0.0961	2,789	0	2,789
2069	20,660		0.0916	1,892	0	1,892
2070	14,686		0.0872	1,281	0	1,281
2071	10,450		0.0831	868	0	868
2072	7,469		0.0791	591	0	591
2073	5,383		0.0753	405	0	405
2074	3,929		0.0717	282	0	282
2075	2,913		0.0683	199	0	199
2076	2,269		0.0651	148	0	148
2077	1,666		0.0620	103	0	103
2078	1,292		0.0590	76	0	76
2079	1,011		0.0562	57	0	57
2080	792		0.0535	42	0	42
2081	619		0.0510	32	0	32
2082	479		0.0486	23	0	23
2083	365		0.0462	17	0	17
2084	273		0.0440	12	0	12
2085	201		0.0419	8	0	8
2086	144		0.0399	6	0	6
2087	104		0.0380	4	0	4
2088	68		0.0362	2	0	2
2089	45		0.0345	2	0	2
2090	29		0.0329	1	0	1
Total	599,981,950	123,704,032		383,576,638	76,101,243	459,677,881

Notes: (1) based on claim-level analysis of open/pending claims as of June 30, 2020.

Uses static mortality at 2020 level from 1994 GAM table.

(2) From Exhibit 3.

(3) Based on selected discount rate.

(4) and (5) equals (3) multiplied by corresponding amounts in (1) and (2).

(6) = (4) + (5)

No IBNR or claim re-openings assumed after June 30, 2020 based on history of these claims.

**Kentucky Workers Compensation Funding Commission
Special Fund**

**Exhibit 1.9
Sheet 6**

Projected Payments and Liability as of June 30, 2020 - Alternate Discount Rates

Discount Rate
6.00%

(1)	(2)	(3)	(4)	(5)	(6)
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Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments
2020	20,309,668	2,783,131	0.9855	20,015,956	2,742,883	22,758,839
2021	39,349,424	5,761,370	0.9434	37,122,098	5,435,255	42,557,353
2022	37,557,398	5,973,842	0.8900	33,425,950	5,316,698	38,742,648
2023	35,993,134	6,181,196	0.8396	30,220,529	5,189,851	35,410,380
2024	34,326,754	6,385,709	0.7921	27,190,004	5,058,080	32,248,084
2025	32,806,026	6,593,750	0.7473	24,514,571	4,927,233	29,441,804
2026	31,413,196	6,804,730	0.7050	22,145,064	4,797,066	26,942,130
2027	29,936,509	7,017,563	0.6651	19,909,488	4,667,080	24,576,568
2028	28,438,274	7,234,423	0.6274	17,842,525	4,538,966	22,381,491
2029	26,908,352	7,457,625	0.5919	15,927,012	4,414,157	20,341,169
2030	25,380,175	6,025,261	0.5584	14,172,157	3,364,475	17,536,632
2031	24,864,512	5,289,786	0.5268	13,098,315	2,786,593	15,884,908
2032	22,609,022	4,728,359	0.4970	11,235,991	2,349,849	13,585,841
2033	21,198,566	4,245,609	0.4688	9,938,715	1,990,507	11,929,222
2034	19,831,264	3,892,274	0.4423	8,771,387	1,721,556	10,492,943
2035	18,411,913	3,577,074	0.4173	7,682,648	1,492,588	9,175,236
2036	17,043,933	3,302,190	0.3936	6,709,281	1,299,895	8,009,176
2037	15,709,703	3,067,582	0.3714	5,834,025	1,139,191	6,973,216
2038	14,385,959	2,874,262	0.3503	5,040,031	1,006,980	6,047,011
2039	13,107,072	2,685,660	0.3305	4,332,058	887,646	5,219,703
2040	11,891,900	2,501,638	0.3118	3,707,951	780,022	4,487,973
2041	10,721,981	2,323,924	0.2942	3,153,929	683,595	3,837,523
2042	9,965,780	2,153,747	0.2775	2,765,555	597,676	3,363,230
2043	8,527,212	1,987,817	0.2618	2,232,401	520,405	2,752,806
2044	7,539,721	1,824,967	0.2470	1,862,149	450,728	2,312,877
2045	6,626,449	1,665,808	0.2330	1,543,954	388,131	1,932,085
2046	5,778,354	1,511,366	0.2198	1,270,140	332,213	1,602,353
2047	5,009,106	1,363,871	0.2074	1,038,728	282,823	1,321,551
2048	4,305,237	1,220,830	0.1956	842,234	238,831	1,081,065
2049	3,673,387	1,077,598	0.1846	677,948	198,878	876,826
2050	3,105,918	936,162	0.1741	540,772	162,995	703,767
2051	2,604,869	800,136	0.1643	427,862	131,426	559,289
2052	2,165,590	669,682	0.1550	335,574	103,772	439,346
2053	1,844,825	544,969	0.1462	269,688	79,667	349,355
2054	1,443,036	445,475	0.1379	199,011	61,436	260,447
2055	1,165,384	342,997	0.1301	151,623	44,626	196,248
2056	931,890	247,097	0.1227	114,381	30,329	144,710
2057	737,684	148,321	0.1158	85,419	17,175	102,593
2058	577,959	56,234	0.1092	63,136	6,143	69,279
2059	448,108		0.1031	46,180	0	46,180
2060	343,799		0.0972	33,425	0	33,425
2061	261,016		0.0917	23,940	0	23,940
2062	196,191		0.0865	16,976	0	16,976
2063	146,041		0.0816	11,921	0	11,921
2064	111,189		0.0770	8,563	0	8,563

**Kentucky Workers Compensation Funding Commission
Special Fund**

**Exhibit 1.9
Sheet 6**

Projected Payments and Liability as of June 30, 2020 - Alternate Discount Rates

Discount Rate 6.00%				(1)	(2)	(3)	(4)	(5)	(6)
Calendar Year	SF Payments	UEF Payments	Discount Factor	Discounted SF Payments	Discounted UEF Payments	Discounted SF and UEF Payments			
2065	77,731		0.0727	5,647	0	5,647			
2066	56,339		0.0685	3,861	0	3,861			
2067	40,549		0.0647	2,622	0	2,622			
2068	29,007		0.0610	1,769	0	1,769			
2069	20,660		0.0575	1,189	0	1,189			
2070	14,686		0.0543	797	0	797			
2071	10,450		0.0512	535	0	535			
2072	7,469		0.0483	361	0	361			
2073	5,383		0.0456	245	0	245			
2074	3,929		0.0430	169	0	169			
2075	2,913		0.0406	118	0	118			
2076	2,269		0.0383	87	0	87			
2077	1,666		0.0361	60	0	60			
2078	1,292		0.0341	44	0	44			
2079	1,011		0.0321	32	0	32			
2080	792		0.0303	24	0	24			
2081	619		0.0286	18	0	18			
2082	479		0.0270	13	0	13			
2083	365		0.0255	9	0	9			
2084	273		0.0240	7	0	7			
2085	201		0.0227	5	0	5			
2086	144		0.0214	3	0	3			
2087	104		0.0202	2	0	2			
2088	68		0.0190	1	0	1			
2089	45		0.0179	1	0	1			
2090	29		0.0169	0	0	0			
Total	599,981,950	123,704,032		356,568,885	70,237,419	426,806,304			

Notes: (1) based on claim-level analysis of open/pending claims as of June 30, 2020.

Uses static mortality at 2020 level from 1994 GAM table.

(2) From Exhibit 3.

(3) Based on selected discount rate.

(4) and (5) equals (3) multiplied by corresponding amounts in (1) and (2).

(6) = (4) + (5)

No IBNR or claim re-openings assumed after June 30, 2020 based on history of these claims.

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Payments and Liability as of June 30, 2020
Static Mortality

**Exhibit 2
Sheet 1**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Calendar Year	Non-Coal				Coal				
	Permanent OD	Partial OD	Permanent Total	Permanent Trauma	Permanent OD	Partial OD	Permanent Total	Partial OD	Permanent Trauma
2020	12,938	178,744	1,085,715	7,520,203	193,765	3,317,181	793,099	7,208,023	20,309,668
2021	25,061	334,286	2,188,508	14,663,680	379,154	6,202,219	1,521,277	14,035,240	39,349,424
2022	23,703	297,642	2,157,643	14,080,557	355,950	5,748,393	1,462,155	13,431,355	37,557,398
2023	22,558	269,522	2,107,043	13,580,912	336,993	5,300,422	1,448,340	12,927,343	35,993,134
2024	21,585	243,591	2,029,452	12,987,768	329,373	4,949,333	1,438,689	12,326,962	34,326,754
2025	20,450	224,101	1,975,216	12,398,353	321,926	4,624,162	1,395,820	11,845,999	32,806,026
2026	18,310	198,638	1,893,537	11,827,390	307,747	4,302,510	1,417,797	11,447,268	31,413,196
2027	17,114	175,149	1,810,314	11,282,705	288,893	3,975,544	1,376,855	11,009,935	29,936,509
2028	16,000	157,597	1,708,530	10,695,637	271,352	3,657,502	1,337,530	10,594,125	28,438,274
2029	14,625	139,237	1,633,689	10,094,024	259,853	3,406,049	1,271,728	10,089,148	26,908,352
2030	13,540	124,877	1,556,422	9,498,498	247,847	3,135,053	1,203,426	9,600,512	25,380,175
2031	12,725	120,387	1,528,936	9,340,014	243,638	2,971,856	1,190,229	9,456,727	24,864,512
2032	11,226	109,683	1,387,212	8,558,235	218,910	2,614,603	1,082,061	8,627,091	22,609,022
2033	10,070	98,227	1,304,500	8,058,689	203,201	2,386,166	1,017,851	8,119,862	21,198,566
2034	8,959	87,102	1,220,635	7,582,727	189,131	2,170,283	951,710	7,620,715	19,831,264
2035	7,910	76,888	1,134,709	7,073,372	174,528	1,965,402	883,575	7,095,529	18,411,913
2036	6,925	67,359	1,053,014	6,557,183	160,778	1,771,888	818,526	6,608,260	17,043,933
2037	6,010	59,106	971,370	6,068,753	147,452	1,589,613	754,443	6,112,958	15,709,703
2038	5,167	57,379	891,907	5,577,286	134,450	1,419,074	694,012	5,606,685	14,385,959
2039	4,396	51,633	817,907	5,111,721	121,644	1,259,918	634,696	5,105,156	13,107,072
2040	3,702	45,306	745,523	4,660,630	108,966	1,111,975	584,751	4,631,048	11,891,900
2041	3,084	39,766	675,843	4,228,528	97,279	978,131	530,158	4,169,192	10,721,981
2042	2,628	36,128	633,009	3,956,469	89,305	890,827	495,223	3,862,191	9,965,780
2043	2,052	30,417	545,359	3,414,064	75,394	740,940	426,243	3,292,743	8,527,212
2044	1,651	26,646	485,258	3,046,290	65,737	637,033	378,601	2,898,505	7,539,721
2045	1,314	23,305	427,194	2,707,757	56,798	543,467	334,174	2,532,441	6,626,449
2046	1,034	20,323	375,370	2,387,415	48,570	459,871	292,249	2,193,521	5,778,354
2047	805	17,650	328,994	2,096,707	41,089	385,774	254,003	1,884,084	5,009,106
2048	621	15,235	286,858	1,824,385	34,343	320,561	219,082	1,604,152	4,305,237
2049	475	13,054	248,605	1,578,091	28,329	263,759	187,500	1,353,574	3,673,387
2050	359	11,086	214,414	1,351,553	23,036	214,761	159,114	1,131,597	3,105,918
2051	269	9,307	183,952	1,148,952	18,433	172,861	133,867	937,227	2,604,869
2052	200	7,707	156,898	968,500	14,515	137,470	111,591	768,708	2,165,590
2053	151	6,508	137,342	836,713	11,591	111,569	95,302	645,649	1,844,825
2054	105	5,007	110,706	663,847	8,404	82,773	74,700	497,493	1,443,036
2055	75	3,946	92,285	543,724	6,240	63,175	60,416	395,524	1,165,384
2056	52	3,046	76,375	440,970	4,531	47,510	48,349	311,056	931,890
2057	36	2,304	62,721	353,997	3,217	35,196	38,295	241,919	737,684
2058	24	1,707	51,082	281,255	2,237	25,658	30,017	185,980	577,959
2059	16	1,235	41,258	221,150	1,515	18,398	23,286	141,249	448,108
2060	10	869	33,058	172,074	999	12,984	17,880	105,925	343,799
2061	6	597	26,257	132,510	642	9,011	13,591	78,402	261,016
2062	4	399	20,702	101,035	401	6,153	10,231	57,266	196,191
2063	2	260	16,201	76,324	243	4,135	7,625	41,251	146,041
2064	1	170	13,004	59,020	147	2,814	5,800	30,233	111,189
2065	1	100	9,611	41,932	80	1,743	4,042	20,221	77,731
2066	0	60	7,372	30,910	45	1,113	2,906	13,933	56,339
2067	0	35	5,620	22,662	24	697	2,058	9,454	40,549
2068	0	20	4,256	16,550	13	428	1,435	6,305	29,007
2069	0	11	3,202	12,065	7	258	983	4,134	20,660
2070	0	6	2,390	8,811	3	152	660	2,664	14,686
2071	0	3	1,763	6,474	2	88	435	1,685	10,450
2072	0	2	1,284	4,805	1	50	280	1,047	7,469
2073	0	1	922	3,617	0	27	176	638	5,383
2074	0	0	651	2,773	0	15	108	381	3,929
2075	0	0	450	2,166	0	8	65	224	2,913

**Kentucky Workers Compensation Funding Commission
Special Fund
Projected Payments and Liability as of June 30, 2020
Static Mortality**

**Exhibit 2
Sheet 1**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Calendar Year	Non-Coal				Coal				
	Permanent OD	Permanent OD	Permanent Total	Permanent Partial Trauma	Permanent OD	Permanent OD	Permanent Total	Permanent Partial Trauma	Permanent Total Trauma
2076	0	0	315	1,779	0	4	39	132	2,269
2077	0	0	199	1,373	0	2	21	71	1,666
2078	0	0	128	1,112	0	1	12	39	1,292
2079	-	0	81	902	0	0	6	21	1,011
2080	-	0	49	728	0	0	3	11	792
2081	-	0	29	582	-	0	2	6	619
2082	-	0	17	459	-	0	1	3	479
2083	-	0	9	354	-	0	0	1	365
2084	-	-	5	267	-	0	0	1	273
2085	-	-	3	198	-	0	0	0	201
2086	-	-	1	143	-	0	0	0	144
2087	-	-	1	104	-	-	0	0	104
2088	-	-	0	68	-	-	0	0	68
2089	-	-	0	45	-	-	0	0	45
2090	-	-	0	29	-	-	0	0	29
Total	297,951	3,393,362	36,482,886	229,970,573	5,628,720	74,048,564	27,239,099	222,920,795	599,981,950

Notes: (1) through (8) based on claim-level analysis of open/pending claims as of June 30, 2020.

Uses static mortality at 2020 level from 1994 GAM table.

No IBNR or claim re-openings assumed after June 30, 2020 based on past history of these claims.

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Payments and Liability as of June 30, 2020
Generational Mortality

Exhibit 2
Sheet 2

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Calendar Year	Non-Coal				Coal				
	Permanent OD	Partial OD	Permanent Total	Permanent Trauma	Permanent OD	Partial OD	Permanent Total	Partial OD	Permanent Trauma
2020	12,938	178,744	1,085,715	7,520,203	193,765	3,317,181	793,099	7,208,023	20,309,668
2021	25,066	334,347	2,188,737	14,665,385	379,200	6,203,376	1,521,449	14,036,760	39,354,319
2022	23,721	297,866	2,158,548	14,087,264	356,126	5,752,738	1,462,848	13,437,492	37,576,603
2023	22,595	270,006	2,109,083	13,595,863	337,392	5,309,651	1,449,926	12,941,442	36,035,958
2024	21,648	244,399	2,033,065	13,014,049	330,089	4,964,877	1,441,534	12,352,448	34,402,109
2025	20,545	225,276	1,980,885	12,438,838	323,053	4,647,206	1,400,387	11,886,592	32,922,784
2026	18,446	200,195	1,901,710	11,884,726	309,387	4,333,720	1,424,709	11,506,596	31,579,490
2027	17,289	177,092	1,821,279	11,359,499	291,117	4,015,224	1,386,223	11,091,734	30,159,458
2028	16,216	159,920	1,722,503	10,793,607	274,182	3,705,948	1,349,931	10,701,353	28,723,659
2029	14,879	141,899	1,651,133	10,214,597	263,363	3,463,874	1,287,368	10,223,614	27,260,727
2030	13,831	127,851	1,577,461	9,642,769	252,073	3,201,789	1,222,398	9,764,535	25,802,707
2031	13,061	123,803	1,554,709	9,516,052	248,869	3,050,085	1,213,547	9,659,861	25,379,988
2032	11,582	113,266	1,415,791	8,753,712	224,723	2,697,686	1,108,033	8,854,320	23,179,112
2033	10,450	101,988	1,336,761	8,278,164	209,700	2,476,034	1,047,237	8,377,849	21,838,183
2034	9,358	90,969	1,256,585	7,825,646	196,448	2,265,971	984,414	7,908,456	20,537,847
2035	8,320	80,789	1,174,130	7,337,753	182,615	2,066,188	919,767	7,410,632	19,180,194
2036	7,341	71,270	1,095,431	6,840,926	169,455	1,876,518	857,836	6,949,078	17,867,856
2037	6,423	62,945	1,016,459	6,369,786	156,606	1,696,710	796,576	6,475,822	16,581,328
2038	5,572	61,221	939,235	5,892,764	143,972	1,527,338	738,448	5,987,437	15,295,985
2039	4,784	55,394	866,948	5,438,780	131,426	1,368,154	681,225	5,499,305	14,046,016
2040	4,068	48,926	795,838	4,996,216	118,884	1,218,936	632,772	5,034,430	12,850,069
2041	3,424	43,229	726,868	4,569,597	107,215	1,082,846	578,979	4,576,784	11,688,942
2042	2,950	39,554	686,203	4,312,534	99,513	996,403	546,091	4,283,939	10,967,187
2043	2,329	33,555	596,293	3,755,146	84,988	838,156	474,787	3,692,253	9,477,506
2044	1,894	29,635	535,259	3,382,045	75,018	729,001	426,197	3,287,008	8,466,057
2045	1,524	26,146	475,722	3,035,243	65,654	629,485	380,333	2,905,476	7,519,584
2046	1,213	23,017	422,041	2,703,465	56,888	539,425	336,649	2,547,210	6,629,908
2047	955	20,199	373,445	2,398,920	48,800	458,517	296,073	2,215,317	5,812,225
2048	745	17,629	328,816	2,110,314	41,379	386,196	258,512	1,910,513	5,054,104
2049	575	15,291	287,854	1,845,763	34,652	322,264	224,086	1,633,426	4,363,910
2050	440	13,162	250,888	1,599,542	28,618	266,266	192,634	1,383,987	3,735,536
2051	332	11,207	217,536	1,376,116	23,262	217,522	164,249	1,162,171	3,172,395
2052	249	9,414	187,558	1,174,222	18,631	175,639	138,798	966,586	2,671,098
2053	191	8,076	166,096	1,027,422	15,134	144,812	120,190	823,568	2,305,488
2054	133	6,317	135,539	825,667	11,157	109,157	95,566	643,966	1,827,502
2055	96	5,061	114,349	684,823	8,426	84,592	78,392	519,383	1,495,122
2056	68	3,967	95,834	562,404	6,208	64,580	63,625	414,399	1,211,085
2057	47	3,045	79,730	457,044	4,461	48,551	51,118	327,041	971,037
2058	32	2,291	65,766	367,471	3,140	35,875	40,629	255,150	770,355
2059	21	1,681	53,799	292,250	2,144	26,031	31,946	196,660	604,533
2060	14	1,195	43,671	229,815	1,417	18,573	24,850	149,657	469,191
2061	9	828	35,105	178,683	911	13,002	19,120	112,377	360,035
2062	5	558	28,027	137,410	569	8,936	14,571	83,265	273,342
2063	3	367	22,205	104,598	346	6,036	10,995	60,805	205,355
2064	2	242	18,022	81,392	209	4,116	8,468	45,160	157,613
2065	1	143	13,469	58,092	114	2,550	5,992	30,579	110,940
2066	1	86	10,452	42,966	63	1,627	4,379	21,310	80,884
2067	0	51	8,056	31,568	34	1,017	3,156	14,622	58,505
2068	0	29	6,172	23,068	18	622	2,242	9,854	42,004
2069	0	16	4,707	16,800	9	373	1,564	6,528	29,997
2070	0	9	3,568	12,247	5	219	1,066	4,250	21,363
2071	0	5	2,672	8,994	2	126	714	2,716	15,229
2072	0	2	1,980	6,685	1	71	466	1,707	10,912
2073	0	1	1,450	5,052	1	39	294	1,053	7,889
2074	0	1	1,039	3,915	0	21	181	633	5,790
2075	0	0	729	3,110	0	11	109	373	4,333

**Kentucky Workers Compensation Funding Commission
Special Fund**
Projected Payments and Liability as of June 30, 2020
Generational Mortality

Exhibit 2
Sheet 2

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Calendar Year	Non-Coal				Coal				
	Permanent OD	Permanent OD	Permanent Total	Permanent Trauma	Permanent OD	Permanent OD	Permanent Total	Permanent Trauma	Permanent Total
2076	0	0	518	2,616	0	6	66	222	3,428
2077	0	0	330	2,081	0	3	36	119	2,569
2078	0	0	213	1,743	0	1	20	66	2,043
2079	-	0	134	1,467	0	1	11	36	1,648
2080	-	0	82	1,226	0	0	6	19	1,333
2081	-	0	49	1,019	-	0	3	10	1,081
2082	-	0	28	837	-	0	1	5	871
2083	-	0	16	669	-	0	1	3	688
2084	-	-	9	525	-	0	0	1	535
2085	-	-	5	404	-	0	0	1	409
2086	-	-	2	299	-	0	0	0	301
2087	-	-	1	223	-	-	0	0	224
2088	-	-	1	150	-	-	0	0	151
2089	-	-	0	100	-	-	0	0	100
2090	-	-	0	65	-	-	0	0	65
Total	305,387	3,484,177	37,684,310	237,904,403	5,831,431	76,371,870	28,316,897	231,597,988	621,496,463

Notes: (1) through (8) based on claim-level analysis of open/pending claims as of June 30, 2020.

Uses static mortality at 2020 level from 1994 GAM table.

No IBNR or claim re-openings assumed after June 30, 2020 based on past history of these claims.

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Projected Payments and Liability as of June 30, 2020**

**Exhibit 3
Sheet 1**

Calendar Year	Point	Optimistic	Pessimistic
	Estimated Losses Paid	Estimated Losses Paid	Estimated Losses Paid
2020	2,783,131	2,777,040	2,789,223
2021	5,761,370	5,717,580	5,805,647
2022	5,973,842	5,885,123	6,064,823
2023	6,181,196	6,035,857	6,332,460
2024	6,385,709	6,173,373	6,610,080
2025	6,593,750	6,305,057	6,903,573
2026	6,804,730	6,430,675	7,212,520
2027	7,017,563	6,549,508	7,536,000
2028	7,234,423	6,664,123	7,876,348
2029	7,457,625	6,776,954	8,236,314
2030	6,025,261	5,535,303	6,582,487
2031	5,289,786	4,880,567	5,754,376
2032	4,728,359	4,376,074	5,127,759
2033	4,245,609	3,941,514	4,589,524
2034	3,892,274	3,617,025	4,203,236
2035	3,577,074	3,326,562	3,859,658
2036	3,302,190	3,071,579	3,561,887
2037	3,067,582	2,851,281	3,310,863
2038	2,874,262	2,665,897	3,108,651
2039	2,685,660	2,485,231	2,911,157
2040	2,501,638	2,309,143	2,718,241
2041	2,323,924	2,139,365	2,531,635
2042	2,153,747	1,977,124	2,352,566
2043	1,987,817	1,819,129	2,177,744
2044	1,824,967	1,664,356	2,005,860
2045	1,665,808	1,513,493	1,837,444
2046	1,511,366	1,367,501	1,673,573
2047	1,363,871	1,228,549	1,516,538
2048	1,220,830	1,094,074	1,363,906
2049	1,077,598	959,645	1,210,817
2050	936,162	827,824	1,058,672
2051	800,136	702,542	910,735
2052	669,682	583,863	767,217
2053	544,969	471,854	628,339
2054	445,475	382,294	517,965
2055	342,997	291,839	402,073
2056	247,097	208,336	292,202
2057	148,321	123,998	176,837
2058	56,234	46,672	67,519

Liability as of 6/30/2020 123,704,032 115,777,922 132,586,468

Notes: 2020 calendar year represents the second half of 2020.
Figures from Sheet 2.

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Projected Future Loss Payments by Year - Point Estimate**

**Exhibit 3
Sheet 2.1**

Calendar Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
2020	9,040	15,335	17,604	18,120	20,300	20,800	26,593	28,761	31,311	34,708	49,739	42,712	47,668	53,452	58,212	63,341	65,446	70,895	73,330	77,213
2021	18,641	32,008	36,239	37,217	41,601	42,548	53,927	58,938	65,559	72,985	81,153	90,796	102,045	111,362	117,570	125,636	136,336	142,192	148,911	
2022	19,205	32,945	37,177	38,134	42,548	43,142	55,254	61,703	68,930	76,882	86,256	97,186	106,300	112,458	120,421	130,882	136,300	142,192	148,911	
2023	19,767	33,333	38,134	39,003	43,142	44,203	57,847	64,876	72,611	81,716	92,327	101,239	107,346	115,185	125,429	131,254	137,781	143,396		
2024	20,300	34,667	39,003	39,547	44,203	46,277	60,821	68,339	77,177	87,467	96,177	102,235	109,949	119,976	125,785	132,366	137,781	143,396		
2025	20,800	35,457	39,547	40,520	46,520	46,277	48,657	64,068	72,637	82,608	91,115	97,123	104,714	114,522	120,316	126,851	132,366	137,781	143,396	
2026	21,274	35,952	40,520	42,421	42,421	42,421	48,657	51,255	68,097	77,749	86,053	92,011	99,478	109,069	114,847	121,335	128,123	134,911	143,396	
2027	21,571	36,836	42,421	44,602	44,602	44,602	54,478	72,890	80,991	86,900	94,242	103,615	109,378	115,820	122,335	128,123	134,911	143,396		
2028	22,102	38,564	44,602	46,933	46,933	46,933	54,478	58,312	75,929	81,788	89,006	98,162	103,909	110,305	115,820	122,335	128,123	134,911	143,396	
2029	23,139	40,547	40,547	46,933	49,938	49,938	58,312	60,743	76,676	83,771	92,708	98,440	104,790	110,305	115,820	122,335	128,123	134,911	143,396	
2030	24,328	42,712	42,712	49,938	53,452	53,452	60,743	61,341	78,535	87,255	92,971	99,274	104,790	110,305	115,820	122,335	128,123	134,911	143,396	
2031	25,627	45,398	45,398	53,452	56,681	56,681	61,341	62,828	81,802	87,503	93,759	99,274	104,790	110,305	115,820	122,335	128,123	134,911	143,396	
2032	27,239	48,593	48,593	55,681	56,229	56,229	56,681	62,828	65,441	82,034	88,244	95,441	102,335	109,069	114,847	121,335	128,123	134,911	143,396	
2033	29,156	50,619	50,619	56,229	57,592	57,592	58,117	58,312	75,929	81,788	89,006	98,162	103,909	110,305	115,820	122,335	128,123	134,911	143,396	
2034	30,372	51,117	51,117	57,592	59,988	59,988	59,988	60,743	76,676	83,771	92,708	98,440	104,790	110,305	115,820	122,335	128,123	134,911	143,396	
2035	30,670	52,357	52,357	59,988	60,158	60,158	60,743	61,341	78,535	87,255	92,971	99,274	104,790	110,305	115,820	122,335	128,123	134,911	143,396	
2036	31,414	54,534	54,534	60,158	60,668	60,668	61,341	62,828	81,802	87,503	93,759	99,274	104,790	110,305	115,820	122,335	128,123	134,911	143,396	
2037	32,721	54,589	54,589	60,668	60,668	60,668	62,828	65,441	82,034	88,244	95,441	102,335	109,069	114,847	121,335	128,123	134,911	143,396		
2038	32,813	55,152	55,152	60,668	62,229	62,229	65,441	65,627	66,183	66,183	66,183	66,183	66,183	66,183	66,183	66,183	66,183	66,183	66,183	
2039	33,091	55,152	55,152	62,229	65,627	65,627	66,183	66,183	66,183	66,183	66,183	66,183	66,183	66,183	66,183	66,183	66,183	66,183	66,183	
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Notes: Figures based on amounts in Sheet 3 and selected payment pattern in Sheet 9.

Exhibit 3
Sheet 2.2

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Projected Future Loss Payments by Year - Point Estimate**

Calendar Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
2020	80,940	80,317	91,779	107,472	125,635	146,574	189,950	213,636	305,262	618,285	1,273,667	685,485	1,273,667	1,311,877					
2021	156,298	155,279	188,076	223,352	263,834	292,230	263,007	284,949	415,848	538,738	706,049	1,351,233	727,231	1,351,233	1,391,770				
2022	150,716	149,924	152,091	161,208	195,433	234,519	205,204	233,784	256,364	319,883	465,906	554,900	571,547	749,048	771,519	1,433,523			
2023	145,133	144,570	146,847	155,635	167,514	160,461	161,930	175,889	204,561	227,879	278,955	359,026	175,338	322,343	369,933	495,341	588,693	624,545	1,476,529
2024	139,551	139,216	141,602	145,087	156,346	170,026	164,163	169,493	170,909	223,918	287,327	332,940	381,031	510,201	606,354	794,665	818,505	1,520,824	843,060
2025	133,969	133,861	136,358	139,714	131,113	139,714	150,762	164,163	169,493	170,909	223,918	287,327	332,940	381,031	510,201	606,354	794,665	818,505	1,520,824
2026	128,387	128,507	122,805	123,152	145,179	158,340	163,649	165,212	191,930	163,649	251,411	295,947	392,462	342,928	353,216	404,825	541,227	643,281	843,060
2027	122,805	123,152	117,223	117,798	120,624	128,967	139,595	152,437	157,804	159,515	215,595	258,955	304,825	353,216	404,825	541,227	643,281	843,060	1,566,449
2028	111,641	112,443	115,380	123,593	134,011	146,574	151,960	153,818	179,135	208,312	221,960	266,722	313,970	363,812	416,363	557,510	662,237	868,351	1,613,443
2029	106,059	107,089	110,135	118,219	128,427	140,711	146,115	148,121	172,737	201,129	214,564	228,619	274,724	323,389	374,727	428,854	574,236	682,457	894,402
2030	100,477	101,734	104,891	112,846	122,843	134,848	140,270	142,424	166,339	193,946	207,163	220,998	235,477	282,965	333,091	385,969	441,720	591,463	702,931
2031	94,895	94,380	95,946	107,472	117,260	128,985	134,426	136,722	159,942	186,762	199,764	213,378	227,628	242,542	291,454	343,083	397,548	454,971	609,206
2032	89,313	91,026	94,402	102,099	111,676	123,122	128,581	131,030	153,544	179,579	192,365	205,757	219,779	234,457	249,818	300,198	353,376	409,474	468,620
2033	83,731	85,671	89,157	96,725	106,092	117,259	122,737	125,333	147,146	172,296	184,967	198,136	211,930	226,372	241,491	257,312	309,204	363,977	421,758
2034	66,985	80,317	83,913	91,351	100,508	111,397	116,892	119,538	140,749	165,213	177,568	190,516	204,080	218,287	233,163	248,735	265,032	318,880	374,896
2035	66,985	66,985	83,917	83,978	94,924	105,534	111,047	113,939	134,351	158,030	180,169	182,895	196,231	210,203	224,836	240,158	256,197	272,983	328,034
2036	66,985	64,253	64,253	62,934	86,604	89,341	99,671	105,203	108,242	127,953	150,847	162,774	172,774	188,382	202,118	216,509	231,581	247,763	268,383
2037	61,403	61,403	58,899	62,934	64,483	83,757	93,808	99,358	102,545	121,556	143,663	153,372	180,333	194,033	208,182	223,004	238,529	254,784	271,800
2038	55,821	58,899	57,690	64,483	67,005	87,945	93,514	96,849	115,158	136,480	147,973	172,683	172,683	185,949	199,854	214,427	229,694	245,984	262,427
2039	33,492	53,544	57,690	59,110	67,005	70,356	87,669	91,152	108,760	129,297	140,575	152,413	164,834	177,864	191,527	205,850	226,960	236,585	253,055
2040	32,127	52,445	59,110	61,422	70,356	70,135	85,455	102,363	122,114	133,176	144,792	156,985	169,779	183,200	197,273	212,025	227,886	243,683	
2041	31,467	53,136	61,422	64,493	64,493	64,291	68,364	95,945	114,931	125,777	137,171	149,136	161,694	174,873	188,696	203,191	218,386	234,310	
2042	2048	2048	32,242	55,838	64,291	64,291	68,364	76,772	107,748	118,379	129,551	141,286	153,610	166,545	180,119	194,357	209,287	224,938	
2043	2049	2049	33,503	44,392	58,630	64,291	62,667	70,374	86,198	110,980	121,930	133,437	145,525	158,218	171,542	185,522	200,187	215,565	
2044	2045	2045	35,178	56,970	56,970	62,667	62,667	70,374	88,784	91,448	117,739	129,356	137,440	149,891	162,965	176,688	191,088	206,193	
2046	2046	2046	35,068	34,182	63,977	79,015	81,385	91,448	103,265	121,271	133,236	145,810	159,019	171,889	181,448				
2047	2047	2047	38,386	71,832	81,385	83,827	94,191	104,191	124,909	137,233	150,185	164,790	178,076	183,344	190,094	203,096	210,094	212,469	
2048	2048	2048	43,099	73,987	83,827	86,342	97,017	104,191	124,909	137,233	150,185	164,790	178,076	183,344	190,094	203,096	210,094	212,469	
2049	2049	2049	44,392	44,392	44,392	44,392	44,392	44,392	68,932	76,206	86,342	99,927	102,925	132,516	145,591	159,331			
2050	2050	2050	2051	2051	2051	2051	2051	2051	2051	2051	2051	2051	2051	2051	2051	2051	2051	2051	
2051	2052	2052	2052	2052	2052	2052	2052	2052	2052	2052	2052	2052	2052	2052	2052	2052	2052	2052	
2052	2053	2053	2054	2054	2055	2055	2055	2055	2055	2055	2055	2055	2055	2055	2055	2055	2055	2055	
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2058	2059	2059	2059	2059	2059	2059	2059	2059	2059	2059	2059	2059	2059	2059	2059	2059	2059	2059	
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Notes: Figures based on amounts in Sheet 3 and selected payment pattern in Sheet 9.

Exhibit 3
Sheet 2.3

Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Projected Future Loss Payments by Year - Optimistic Estimate

Calendar Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
2020	9,040	15,335	17,604	18,120	20,300	20,800	26,593	28,761	31,311	34,708	49,739	42,712	47,668	53,452	58,212	63,341	65,446	70,895	73,330	77,213
2021	18,641	32,008	36,239	37,217	41,601	42,548	53,927	58,938	65,559	72,985	81,153	90,796	102,045	111,362	117,570	125,636	136,336	142,192	148,911	
2022	19,205	32,945	37,177	38,134	42,548	43,142	55,754	61,703	68,930	76,882	86,256	97,186	106,300	112,458	120,421	130,882	136,300	142,192	148,911	
2023	19,767	33,333	38,134	39,003	43,142	44,203	57,847	64,876	72,611	81,716	92,327	101,239	107,346	115,185	125,429	131,254	137,781	143,396		
2024	20,300	34,667	39,003	39,547	44,203	46,277	60,821	68,339	77,177	87,467	96,177	102,235	109,949	119,976	125,785	132,366				
2025		20,800	35,457	39,547	40,520	46,277	64,068	72,637	82,608	91,115	97,123	104,714	114,522	120,316	126,851					
2026		21,274	35,952	40,520	42,421	48,657	51,255	68,097	77,749	86,053	92,011	99,478	109,069	114,847	121,335					
2027		21,571	36,836	42,421	44,602	44,602	51,255	54,478	72,890	80,991	103,615	109,378	115,820							
2028			22,102	38,564	44,602	46,933	54,478	58,312	75,929	81,788	86,900	94,242	103,909	110,305						
2029				23,139	40,547	46,983	49,938	58,312	60,743	76,676	83,771	92,708	98,440	104,790						
2030					24,328	42,712	49,938	53,452	60,743	78,535	87,255	92,971	99,274							
2031						25,627	45,398	53,452	61,341	62,828	81,802	87,503	93,759							
2032							27,239	48,593	55,681	56,229	62,828	65,441	82,034	88,244						
2033								29,156	50,619	56,229	57,592	65,627	82,729							
2034									30,372	51,117	57,592	59,988	65,627	66,183						
2035										30,670	52,357	59,988	60,158	66,183						
2036											31,414	54,534	60,158	60,668						
2037												32,721	54,589	60,668						
2038													32,813	55,152						
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Notes: Figures based on amounts in Sheet 3 and selected payment pattern in Sheet 9.

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Projected Future Loss Payments by Year - Optimistic Estimate**

Calendar Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
2020	80,940	80,317	91,779	107,472	125,635	146,574	189,950	213,636	305,262	612,193	1,236,630	678,731	1,248,997						
2021	156,298	155,279	188,076	223,352	263,834	234,519	263,007	284,949	415,848	53,330	685,518	1,261,487	692,374						
2022	150,716	149,924	152,091	161,208	195,433	167,514	205,204	233,784	256,364	319,983	462,306	538,764	445,152	699,297	1,274,102				
2023	145,133	144,570	146,847	155,635	167,514	150,461	161,930	175,889	204,561	227,879	278,995	355,620	32,058	359,176	471,598	549,593	706,290	1,286,843	
2024	139,551	139,216	141,602	146,087	156,346	145,087	170,026	175,338	199,394	255,907	320,058	359,176	223,918	284,496	323,259	362,768	476,314	555,089	
2025	133,969	133,861	136,358	140,087	164,163	164,163	169,493	170,909	223,918	284,496	323,259	362,768	326,491	366,396	481,077	560,640	713,353	1,299,711	
2026	128,387	128,507	131,113	139,714	150,762	163,649	165,212	191,930	163,649	163,649	163,649	163,649	163,649	163,649	163,649	163,649	163,649	1,325,835	
2027	122,805	123,152	134,340	145,179	158,300	158,300	163,649	163,649	163,649	163,649	163,649	163,649	163,649	163,649	163,649	163,649	163,649	1,325,835	
2028	117,223	117,798	120,624	128,967	139,595	152,437	157,804	159,515	185,532	213,372	251,423	290,214	329,756	370,060	485,888	566,247	727,692	1,325,835	
2029	111,641	112,443	115,380	123,593	134,011	146,574	151,960	153,818	179,135	206,260	215,506	253,938	293,117	333,054	373,760	490,747	571,909	1,339,094	
2030	106,059	107,089	110,135	118,219	128,427	140,711	146,115	148,121	172,737	199,147	208,322	217,661	256,477	296,048	336,384	377,498	495,655	577,628	
2031	100,477	101,734	104,891	112,846	122,843	134,848	140,270	142,424	166,339	192,035	201,139	210,405	219,837	259,042	289,008	339,748	381,273	500,611	
2032	94,895	94,895	96,580	99,546	107,472	117,260	128,985	134,426	159,942	184,222	193,955	203,150	212,399	222,036	261,632	301,998	343,145	385,085	
2033	89,313	91,026	94,402	102,099	102,099	111,676	123,122	128,581	131,030	153,544	17,7810	186,772	195,895	205,182	214,635	264,248	305,018	346,577	
2034	83,731	85,671	89,157	96,725	106,092	117,259	122,737	125,333	147,146	170,598	179,388	188,639	197,854	207,233	216,781	226,499	266,891	308,068	
2035	66,995	80,317	83,913	91,351	100,508	111,397	116,892	119,538	140,749	163,585	172,405	181,384	190,526	199,832	209,306	218,949	228,764	269,560	
2036	66,985	66,985	64,253	62,934	83,978	94,924	105,534	111,047	113,939	134,351	156,473	165,222	174,129	183,198	192,431	211,399	221,138	272,255	
2037	61,403	61,403	61,403	61,403	86,604	89,341	99,671	105,203	108,242	127,953	149,360	158,038	166,873	175,870	185,030	194,355	203,849	231,051	
2038	55,821	58,899	62,334	64,483	83,757	93,808	99,358	102,545	121,556	142,248	150,854	159,618	168,542	177,629	196,299	205,887	213,513	233,362	
2039	53,544	57,690	64,483	67,005	87,945	93,514	96,849	115,158	116,670	143,670	161,236	161,236	171,214	178,749	188,749	198,262	207,946	225,583	
2040	33,492	52,445	59,110	61,422	70,356	70,356	87,669	91,152	108,760	128,023	136,487	145,107	153,886	162,826	171,930	181,199	190,636	210,244	
2041	32,127	53,1467	53,1467	61,422	64,493	70,135	85,455	102,363	120,911	129,303	137,952	146,558	155,425	164,454	173,649	183,011	191,543	203,247	
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Notes: Figures based on amounts in Sheet 3 and selected payment pattern in Sheet 9.

Exhibit 3
Sheet 2.5

Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Projected Future Loss Payments by Year - Pessimistic Estimate

Calendar Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
	Accident Year:																			
2020	9,040	15,335	17,604	18,120	20,300	20,800	26,593	28,761	31,311	34,708	49,739	42,712	47,668	53,452	58,212	63,341	65,446	70,895	73,330	77,213
2021	18,641	32,008	36,239	37,217	41,601	42,548	53,927	58,938	65,559	72,985	81,153	90,796	102,045	111,362	117,570	125,636	136,336	142,192	148,911	
2022	19,205	32,945	37,177	38,134	42,548	43,142	55,754	61,703	68,930	76,882	86,256	97,186	106,300	112,458	120,421	130,882	136,300	142,192	148,911	
2023	19,767	33,333	38,134	39,003	43,142	44,203	57,847	64,876	72,611	81,716	92,327	101,239	107,346	115,185	125,429	131,254	137,781	143,396		
2024	20,300	34,667	39,003	39,547	44,203	46,277	60,821	68,339	77,177	87,467	96,177	102,235	109,949	119,976	125,785	132,366	137,781	143,396		
2025	20,800	35,457	39,547	40,520	46,520	46,277	48,657	64,068	72,637	82,608	91,115	97,123	104,714	114,522	120,316	126,851	132,366	137,781	143,396	
2026	21,274	35,952	40,520	42,421	42,421	42,421	48,657	51,255	68,097	77,749	86,053	92,011	99,478	109,069	114,847	121,335	127,820	133,396	143,396	
2027	21,571	36,836	42,421	44,602	44,602	44,602	44,602	54,478	72,890	80,991	103,615	109,378	94,242	86,900	86,900	86,900	86,900	86,900	115,820	
2028	22,102	38,564	44,602	46,933	46,933	46,933	46,933	54,478	75,929	81,788	103,909	110,305	98,162	98,162	98,162	98,162	98,162	98,162	115,820	
2029	23,139	40,547	40,547	46,933	49,938	49,938	49,938	58,312	60,743	67,676	83,771	92,708	98,440	104,790	104,790	104,790	104,790	104,790	104,790	
2030	24,328	42,712	42,712	49,938	53,452	53,452	53,452	60,743	67,676	78,535	87,255	92,971	99,774	104,790	104,790	104,790	104,790	104,790	104,790	
2031	25,627	45,398	45,398	53,452	56,681	56,681	56,681	61,341	68,288	81,802	87,503	93,759	99,774	104,790	104,790	104,790	104,790	104,790	104,790	
2032	27,239	48,593	48,593	55,681	56,229	56,229	56,229	61,341	68,288	65,441	82,034	88,244	95,441	102,235	108,729	115,627	122,366	127,820	133,396	
2033	29,156	50,619	50,619	56,229	57,592	57,592	57,592	58,312	75,929	81,788	89,006	98,162	103,909	110,305	115,627	122,366	127,820	133,396	143,396	
2034	30,372	51,117	51,117	57,592	59,988	59,988	59,988	58,312	60,743	67,676	83,771	92,708	98,440	104,790	104,790	104,790	104,790	104,790	104,790	
2035	30,670	52,357	52,357	59,988	60,158	60,158	60,158	60,743	67,676	78,535	87,255	92,971	99,774	104,790	104,790	104,790	104,790	104,790	104,790	
2036	31,414	54,534	54,534	60,158	60,668	60,668	60,668	61,341	68,288	81,802	87,503	93,759	99,774	104,790	104,790	104,790	104,790	104,790	104,790	
2037	32,721	54,589	54,589	60,668	60,668	60,668	60,668	61,341	68,288	81,802	87,503	93,759	99,774	104,790	104,790	104,790	104,790	104,790	104,790	
2038	32,813	55,152	55,152	60,668	60,668	60,668	60,668	61,341	68,288	81,802	87,503	93,759	99,774	104,790	104,790	104,790	104,790	104,790	104,790	
2039	33,091	55,152	55,152	60,668	60,668	60,668	60,668	61,341	68,288	81,802	87,503	93,759	99,774	104,790	104,790	104,790	104,790	104,790	104,790	
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Notes: Figures based on amounts in Sheet 3 and selected payment pattern in Sheet 9.

Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Projected Future Loss Payments by Year - Pessimistic Estimate

Calendar Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
2020	80,940	80,317	91,779	107,472	125,635	146,574	189,950	213,636	305,262	64,376	69,238	1,311,190	1,376,750	1,445,387	1,583,760	1,673,448	1,757,120	1,844,976	1,937,225
2021	156,298	155,279	188,076	223,352	263,834	234,519	263,007	284,949	415,848	54,046	776,950	571,248	763,193	801,420	841,420	881,420	927,165	974,049	1,022,751
2022	150,716	149,924	152,091	161,208	195,433	167,514	205,204	233,784	256,364	319,983	471,506	495,081	599,810	629,801	661,291	683,491	694,355	729,073	757,627
2023	145,133	144,570	146,847	146,847	155,635	167,514	160,461	161,930	204,561	227,879	275,895	362,647	380,832	519,835	545,827	561,291	583,491	601,860	631,863
2024	139,551	139,216	141,602	145,087	156,346	175,338	179,394	255,907	326,427	380,832	419,867	399,873	342,749	419,867	419,867	419,867	419,867	419,867	
2025	133,969	133,861	136,358	145,087	170,026	164,163	169,493	170,909	223,918	290,158	342,749	399,873	359,886	304,665	573,119	694,355	729,073	757,627	797,165
2026	128,387	128,507	131,113	139,714	150,762	164,163	169,493	170,909	223,918	290,158	342,749	399,873	359,886	304,665	573,119	694,355	729,073	757,627	797,165
2027	122,805	123,152	145,179	154,340	163,649	165,212	191,930	163,649	205,032	251,388	304,665	342,749	399,873	359,886	304,665	573,119	694,355	729,073	757,627
2028	117,223	117,798	120,624	128,967	139,595	152,437	157,804	159,515	185,532	217,618	266,382	319,899	377,880	440,860	501,860	561,860	601,860	642,904	683,863
2029	111,641	112,443	115,380	123,593	134,011	146,574	151,960	153,818	179,135	210,364	228,499	279,911	335,894	396,774	462,904	520,860	580,860	631,863	675,327
2030	106,059	107,089	110,135	118,219	128,427	140,711	146,115	148,121	172,737	203,110	220,382	239,924	293,907	352,688	416,113	486,049	563,456	603,803	673,389
2031	100,477	101,734	104,891	112,846	122,843	134,270	142,424	166,339	195,856	213,266	231,927	251,920	308,602	370,323	437,444	510,351	596,629	849,933	944,961
2032	94,895	96,380	99,546	107,472	117,260	128,985	134,426	159,942	188,602	205,049	223,929	243,523	264,516	324,032	388,839	459,316	535,869	731,461	826,662
2033	89,313	91,026	94,402	102,099	111,676	123,122	128,581	131,030	153,544	181,349	198,033	215,932	235,126	255,699	324,032	408,281	482,282	562,662	648,282
2034	83,731	85,671	89,157	96,725	106,092	117,259	122,737	125,333	147,146	174,095	190,416	207,934	226,728	246,882	268,484	291,629	357,246	428,995	506,396
2035	66,985	80,317	83,913	91,351	100,508	111,397	116,892	119,538	140,749	166,841	182,799	199,937	218,331	238,065	259,236	281,908	306,211	375,108	450,130
2036	66,985	64,253	68,668	83,978	94,924	105,534	111,047	113,939	134,351	175,183	191,939	209,334	229,247	249,968	272,187	296,004	321,521	394,863	474,863
2037	61,403	61,403	62,934	86,604	89,341	99,671	105,203	108,242	127,953	152,333	167,566	183,942	201,536	220,430	240,710	262,466	310,804	337,597	397,597
2038	55,821	58,899	62,334	64,483	83,757	93,808	99,358	102,545	121,556	145,079	159,949	175,944	193,139	211,613	231,452	252,745	275,590	300,086	326,344
2039	53,544	57,690	64,483	67,005	87,945	93,514	96,849	102,754	115,158	132,825	152,333	167,947	184,742	202,796	222,194	243,024	265,383	289,369	315,091
2040	33,492	52,445	59,110	61,422	70,356	70,135	85,455	102,363	123,317	137,099	151,952	167,947	185,161	195,979	212,936	233,033	255,176	278,652	303,838
2041	32,127	31,467	53,736	61,422	64,493	68,364	95,945	116,063	129,483	143,354	159,350	176,344	194,419	213,861	234,762	257,217	281,331	321,521	394,863
2042	2048	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2059
Notes: Figures based on amounts in Sheet 3 and selected payment pattern in Sheet 9.																			

Notes: Figures based on amounts in Sheet 3 and selected payment pattern in Sheet 9.

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Projected Payments and Liability as of June 30, 2020 - Point Estimate**

**Exhibit 3
Sheet 3.1**

	(1)	(2)	(3)	(4)
Accident		Accident		
Year Ending 6/30	Selected Trend Rate	Estimated Ultimate Losses	Year Ending 12/31	Estimated Ultimate Losses
1991		2,966,718	1991	3,013,431
1992		3,060,144	1992	3,106,913
1993		3,153,682	1993	3,200,778
1994		3,247,874	1994	3,294,492
1995		3,341,111	1995	3,383,318
1996		3,425,525	1996	3,466,749
1997		3,507,974	1997	3,545,689
1998		3,583,405	1998	3,595,153
1999		3,606,902	1999	3,683,621
2000		3,760,340	2000	3,856,433
2001		3,952,527	2001	4,054,727
2002		4,156,927	2002	4,271,211
2003		4,385,495	2003	4,539,803
2004		4,694,111	2004	4,859,302
2005		5,024,492	2005	5,061,926
2006		5,099,359	2006	5,111,736
2007		5,124,113	2007	5,235,676
2008		5,347,240	2008	5,453,434
2009		5,559,629	2009	5,468,911
2010		5,378,193	2010	5,515,239
2011		5,652,285	2011	5,582,057
2012		5,511,829	2012	5,354,446
2013		5,197,063	2013	5,244,533
2014		5,292,002	2014	5,373,610
2015		5,455,217	2015	5,583,790
2016		5,712,364	2016	5,862,975
2017		6,013,585	2017	5,844,603
2018		5,675,621	2018	5,696,972
2019		5,718,323	2019	6,397,669
2020		7,077,015	2020	7,183,170
2021	3.0%	7,289,325	2021	7,398,665
2022	3.0%	7,508,005	2022	7,620,625
2023	3.0%	7,733,245	2023	7,849,244
2024	3.0%	7,965,242	2024	8,084,721
2025	3.0%	8,204,200	2025	8,327,263
2026	3.0%	8,450,326	2026	8,577,081
2027	3.0%	8,703,835	2027	8,834,393
2028	3.0%	8,964,951	2028	9,099,425
2029	3.0%	9,233,899	2029	9,372,408
2030	3.0%	9,510,916		
			Historical Trends	
L10			L10	1.9%
L5			L5	3.9%
All			All	2.7%
			Selected	3.0%

Notes: (1) Selected based on discussions with client.
(2) Up through 2020 from Sheet 4. Subsequent figures based on (1) and prior figures in (2).
(4) = average of (2).

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Projected Payments and Liability as of June 30, 2020 - Optimistic Estimate**

**Exhibit 3
Sheet 3.2**

		(1)	(2)	(3)	(4)
Accident		Year	Estimated	Accident	Year
Year	Selected	Trend	Ultimate	Ending	Estimated
6/30		Rate	Losses	12/31	Losses
1991			2,966,718	1991	3,013,431
1992			3,060,144	1992	3,106,913
1993			3,153,682	1993	3,200,778
1994			3,247,874	1994	3,294,492
1995			3,341,111	1995	3,383,318
1996			3,425,525	1996	3,466,749
1997			3,507,974	1997	3,545,689
1998			3,583,405	1998	3,595,153
1999			3,606,902	1999	3,683,621
2000			3,760,340	2000	3,856,433
2001			3,952,527	2001	4,054,727
2002			4,156,927	2002	4,271,211
2003			4,385,495	2003	4,539,803
2004			4,694,111	2004	4,859,302
2005			5,024,492	2005	5,061,926
2006			5,099,359	2006	5,111,736
2007			5,124,113	2007	5,235,676
2008			5,347,240	2008	5,453,434
2009			5,559,629	2009	5,468,911
2010			5,378,193	2010	5,515,239
2011			5,652,285	2011	5,582,057
2012			5,511,829	2012	5,354,446
2013			5,197,063	2013	5,244,533
2014			5,292,002	2014	5,373,610
2015			5,455,217	2015	5,583,790
2016			5,712,364	2016	5,862,975
2017			6,013,585	2017	5,844,603
2018			5,675,621	2018	5,696,972
2019			5,718,323	2019	6,397,669
2020			7,077,015	2020	7,112,400
2021	1.0%		7,147,785	2021	7,183,524
2022	1.0%		7,219,263	2022	7,255,359
2023	1.0%		7,291,455	2023	7,327,913
2024	1.0%		7,364,370	2024	7,401,192
2025	1.0%		7,438,014	2025	7,475,204
2026	1.0%		7,512,394	2026	7,549,956
2027	1.0%		7,587,518	2027	7,625,455
2028	1.0%		7,663,393	2028	7,701,710
2029	1.0%		7,740,027	2029	7,778,727
2030	1.0%		7,817,427		

		Historical Trends
L10		1.9%
L5		3.9%
All		2.7%

Selected 1.0%

Notes: (1) Selected based on discussions with client.

(2) Up through 2020 from Sheet 4. Subsequent figures based on (1) and prior figures in (2).

(4) = average of (2).

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Projected Payments and Liability as of June 30, 2020 - Pessimistic Estimate**

**Exhibit 3
Sheet 3.3**

		(1)	(2)	(3)	(4)
Accident		Year	Selected	Estimated	Accident
Year	Ending	Trend	Ultimate	Year	Estimated
6/30		Rate	Losses	12/31	Losses
	1991		2,966,718	1991	3,013,431
	1992		3,060,144	1992	3,106,913
	1993		3,153,682	1993	3,200,778
	1994		3,247,874	1994	3,294,492
	1995		3,341,111	1995	3,383,318
	1996		3,425,525	1996	3,466,749
	1997		3,507,974	1997	3,545,689
	1998		3,583,405	1998	3,595,153
	1999		3,606,902	1999	3,683,621
	2000		3,760,340	2000	3,856,433
	2001		3,952,527	2001	4,054,727
	2002		4,156,927	2002	4,271,211
	2003		4,385,495	2003	4,539,803
	2004		4,694,111	2004	4,859,302
	2005		5,024,492	2005	5,061,926
	2006		5,099,359	2006	5,111,736
	2007		5,124,113	2007	5,235,676
	2008		5,347,240	2008	5,453,434
	2009		5,559,629	2009	5,468,911
	2010		5,378,193	2010	5,515,239
	2011		5,652,285	2011	5,582,057
	2012		5,511,829	2012	5,354,446
	2013		5,197,063	2013	5,244,533
	2014		5,292,002	2014	5,373,610
	2015		5,455,217	2015	5,583,790
	2016		5,712,364	2016	5,862,975
	2017		6,013,585	2017	5,844,603
	2018		5,675,621	2018	5,696,972
	2019		5,718,323	2019	6,397,669
	2020		7,077,015	2020	7,253,940
	2021	5.0%	7,430,865	2021	7,616,637
	2022	5.0%	7,802,409	2022	7,997,469
	2023	5.0%	8,192,529	2023	8,397,342
	2024	5.0%	8,602,156	2024	8,817,210
	2025	5.0%	9,032,263	2025	9,258,070
	2026	5.0%	9,483,877	2026	9,720,974
	2027	5.0%	9,958,070	2027	10,207,022
	2028	5.0%	10,455,974	2028	10,717,373
	2029	5.0%	10,978,773	2029	11,253,242
	2030	5.0%	11,527,711		

		Historical Trends
L10		1.9%
L5		3.9%
All		2.7%

Selected 5.0%

Notes: (1) Selected based on discussions with client.

(2) Up through 2020 from Sheet 4. Subsequent figures based on (1) and prior figures in (2).

(4) = average of (2).

Exhibit 3
Sheet 4.1

Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Estimated Historical Loss Payments by Accident Year

Notes: Actual historical payments provided by client.
Other figures: each actual historical payment multiplied by percentages in Sheet 5.
Estimated ultimate losses equal to Total divided by Total row from Sheet 8

Taylor-Walker Consulting, LLC

Taylor-Walker Consulting, LLC

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Estimated Historical Loss Payments by Accident Year**

**Exhibit 3
Sheet 4.2**

Calendar Year Ending 6/30	2005	2006	2007	2008	2009	2010	2011	Accident Year Ending 6/30:		2014	2015	2016	2017	2018	2019	2020	
								2012	2013								
1991																	
1992																	
1993																	
1994																	
1995																	
1996																	
1997																	
1998																	
1999																	
2000																	
2001																	
2002																	
2003																	
2004																	
2005	957,316																
2006	518,761	963,885															
2007	362,449	475,011	882,596														
2008	333,978	520,188	966,537														
2009	297,403	396,920	520,188	620,253	1,152,464												
2010	242,626	398,223	473,273	620,253	506,011	940,195											
2011	227,620	242,003	301,852	386,102	404,180	480,352	629,531	1,169,702									
2012	191,466	225,383	261,163	298,886	400,209	475,633	623,346	1,158,211	919,797								
2013	165,536	152,054	178,889	207,404	237,362	317,828	377,726	495,033	899,189								
2014	116,094	123,701	148,647	174,979	202,756	232,044	310,706	369,262	483,941	896,346							
2015	109,693	117,019	124,685	149,330	176,371	204,370	233,891	313,180	372,202	487,794							
2016	111,065	118,654	126,557	134,849	162,043	190,748	221,029	252,956	338,708	402,541	527,555	980,225					
2017	121,508	129,967	138,824	148,096	157,798	189,621	223,211	258,646	296,006	396,352	471,049	617,339	1,147,048				
2018	96,262	103,116	110,295	117,811	125,679	133,913	160,319	189,425	219,496	251,101	336,359	389,749	523,896	973,426			
2019	80,594	86,471	92,627	99,076	105,828	112,895	120,292	144,551	170,157	197,69	225,649	302,144	359,087	470,606	874,410		
2020	104,477	112,290	120,478	129,056	138,040	147,447	157,294	167,600	201,399	237,076	274,711	314,392	420,971	500,307	635,684	1,218,295	
Total:	3,967,226	3,909,054	3,805,050	3,837,058	3,844,914	3,574,226	3,598,117	3,348,863	3,001,706	2,871,321	2,741,669	2,613,849	2,451,002	1,944,340	1,530,094	1,218,295	
Est. Ultimate Losses:	5,024,492	5,099,359	5,124,113	5,347,240	5,559,629	5,378,193	5,652,285	5,511,829	5,197,063	5,292,002	5,455,217	5,712,364	6,013,585	5,675,621	5,718,323	7,077,015	

Taylor-Walker Consulting, LLC

Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund

Percentage of Losses Paid in Each Year Adjusted for Inflation and Normalized to 100%

Exhibit 3
Sheet 5.1

Calendar Year	6/30	Accident Year Ending 6/30:									
		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
1991	21.4%										
1992	11.5%	21.4%									
1993	8.8%	11.5%	21.4%								
1994	7.4%	8.8%	11.5%	21.4%							
1995	5.5%	7.4%	8.8%	11.5%	21.4%						
1996	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%					
1997	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%				
1998	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%			
1999	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%		
2000	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%	
2001	2.6%	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%
2002	2.4%	2.6%	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%
2003	2.3%	2.4%	2.6%	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%
2004	2.1%	2.3%	2.4%	2.6%	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%
2005	2.0%	2.1%	2.3%	2.4%	2.6%	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%
2006	1.8%	2.0%	2.1%	2.3%	2.4%	2.6%	2.8%	2.9%	3.5%	4.2%	4.8%
2007	1.7%	1.8%	2.0%	2.1%	2.3%	2.4%	2.6%	2.8%	3.5%	4.2%	4.8%
2008	1.6%	1.7%	1.8%	2.0%	2.1%	2.3%	2.4%	2.6%	2.8%	3.5%	4.2%
2009	1.5%	1.6%	1.7%	1.8%	2.0%	2.1%	2.3%	2.4%	2.6%	2.8%	3.5%
2010	1.3%	1.5%	1.6%	1.7%	1.8%	2.0%	2.1%	2.3%	2.4%	2.6%	2.8%
2011	1.2%	1.3%	1.5%	1.6%	1.7%	1.8%	2.0%	2.1%	2.3%	2.4%	2.6%
2012	1.1%	1.2%	1.3%	1.5%	1.6%	1.7%	1.8%	2.0%	2.1%	2.3%	2.4%
2013	1.0%	1.1%	1.2%	1.3%	1.5%	1.6%	1.7%	1.8%	2.0%	2.1%	2.3%
2014	0.9%	1.0%	1.1%	1.2%	1.3%	1.5%	1.6%	1.7%	1.8%	2.0%	2.1%
2015	0.7%	0.9%	1.0%	1.1%	1.2%	1.3%	1.5%	1.6%	1.7%	1.8%	2.0%
2016	0.7%	0.7%	0.9%	1.0%	1.1%	1.2%	1.3%	1.5%	1.6%	1.7%	1.8%
2017	0.6%	0.7%	0.7%	0.9%	1.0%	1.1%	1.2%	1.3%	1.5%	1.6%	1.7%
2018	0.6%	0.6%	0.7%	0.7%	0.9%	1.0%	1.1%	1.2%	1.3%	1.5%	1.6%
2019	0.5%	0.6%	0.6%	0.7%	0.7%	0.9%	1.0%	1.1%	1.2%	1.3%	1.4%
2020	0.3%	0.5%	0.6%	0.6%	0.7%	0.7%	0.9%	1.0%	1.1%	1.2%	1.3%

Notes: Figures in Sheet 6 normalized so total for each column does not exceed 100%.

Exhibit 3
Sheet 5.2

Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund

Percentage of Losses Paid in Each Year Adjusted for Inflation and Normalized to 100%

Calendar Year Ending 6/30	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1991																
1992																
1993																
1994																
1995																
1996																
1997																
1998																
1999																
2000																
2001																
2002																
2003																
2004																
2005	21.4%															
2006	11.5%	21.4%														
2007	8.8%	11.5%	21.4%													
2008	7.4%	8.8%	11.5%	21.4%												
2009	5.5%	7.4%	8.8%	11.5%	21.4%											
2010	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%										
2011	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%									
2012	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%								
2013	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%							
2014	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%						
2015	2.6%	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%					
2016	2.4%	2.6%	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%				
2017	2.3%	2.4%	2.6%	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%			
2018	2.1%	2.3%	2.4%	2.6%	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%		
2019	2.0%	2.1%	2.3%	2.4%	2.6%	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%	
2020	1.8%	2.0%	2.1%	2.3%	2.4%	2.6%	2.8%	2.9%	3.5%	4.2%	4.8%	5.5%	7.4%	8.8%	11.5%	21.4%

Taylor-Walker Consulting, LLC

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund**

Percentage of Losses Paid in Each Year Adjusted for Inflation

**Exhibit 3
Sheet 6.1**

Calendar Year	6/30	Accident Year Ending 6/30:									
		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
1991	17.2%	9.3%	17.2%	9.3%	17.2%	9.3%	17.2%	9.3%	17.2%	9.3%	17.2%
1992	9.3%	7.1%	9.3%	7.1%	9.3%	7.1%	9.3%	7.1%	9.3%	7.1%	9.3%
1993	5.9%	4.4%	5.9%	4.4%	5.9%	4.4%	5.9%	4.4%	5.9%	4.4%	5.9%
1994	5.9%	3.9%	5.9%	3.9%	5.9%	3.9%	5.9%	3.9%	5.9%	3.9%	5.9%
1995	5.9%	3.3%	5.9%	3.3%	5.9%	3.3%	5.9%	3.3%	5.9%	3.3%	5.9%
1996	4.4%	3.3%	4.4%	3.3%	4.4%	3.3%	4.4%	3.3%	4.4%	3.3%	4.4%
1997	3.3%	2.8%	3.3%	2.8%	3.3%	2.8%	3.3%	2.8%	3.3%	2.8%	3.3%
1998	2.8%	2.4%	3.3%	2.4%	3.3%	2.4%	3.3%	2.4%	3.3%	2.4%	3.3%
1999	2.4%	2.0%	2.8%	2.0%	2.8%	2.0%	2.8%	2.0%	2.8%	2.0%	2.8%
2000	2.2%	1.7%	2.4%	1.7%	2.4%	1.7%	2.4%	1.7%	2.4%	1.7%	2.4%
2001	2.1%	2.0%	2.2%	2.0%	2.2%	2.0%	2.2%	2.0%	2.2%	2.0%	2.2%
2002	2.0%	1.8%	2.0%	1.8%	2.0%	1.8%	2.0%	1.8%	2.0%	1.8%	2.0%
2003	1.8%	1.7%	1.8%	1.7%	1.8%	1.7%	1.8%	1.7%	1.8%	1.7%	1.8%
2004	1.7%	1.8%	2.0%	1.8%	2.0%	1.8%	2.0%	1.8%	2.0%	1.8%	2.0%
2005	1.6%	1.7%	1.8%	1.7%	1.8%	1.7%	1.8%	1.7%	1.8%	1.7%	1.8%
2006	1.5%	1.6%	1.7%	1.6%	1.7%	1.6%	1.7%	1.6%	1.7%	1.6%	1.7%
2007	1.4%	1.5%	1.6%	1.5%	1.6%	1.5%	1.6%	1.5%	1.6%	1.5%	1.6%
2008	1.3%	1.4%	1.5%	1.4%	1.5%	1.4%	1.5%	1.4%	1.5%	1.4%	1.5%
2009	1.2%	1.3%	1.4%	1.3%	1.4%	1.3%	1.4%	1.3%	1.4%	1.3%	1.4%
2010	1.1%	1.2%	1.3%	1.2%	1.3%	1.2%	1.3%	1.2%	1.3%	1.2%	1.3%
2011	1.0%	1.1%	1.2%	1.1%	1.2%	1.1%	1.2%	1.1%	1.2%	1.1%	1.2%
2012	0.9%	1.0%	1.1%	1.0%	1.1%	1.0%	1.1%	1.0%	1.1%	1.0%	1.1%
2013	0.8%	0.9%	1.0%	0.9%	1.0%	0.9%	1.0%	0.9%	1.0%	0.9%	1.0%
2014	0.8%	0.8%	0.9%	0.8%	0.9%	0.8%	0.9%	0.8%	0.9%	0.8%	0.9%
2015	0.6%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
2016	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
2017	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
2018	0.5%	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
2019	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
2020	0.3%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%

Notes: Sheet 7 figures times Sheet 8 figures.

**Exhibit 3
Sheet 6.2**

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund**

Percentage of Losses Paid in Each Year Adjusted for Inflation

Calendar Year Ending 6/30	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1991																
1992																
1993																
1994																
1995																
1996																
1997																
1998																
1999																
2000																
2001																
2002																
2003																
2004																
2005	17.2%															
2006	9.3%	17.2%														
2007	7.1%	9.3%	17.2%													
2008	5.9%	7.1%	9.3%	17.2%												
2009	4.4%	5.9%	7.1%	9.3%	17.2%											
2010	3.9%	4.4%	5.9%	7.1%	9.3%	17.2%										
2011	3.3%	3.9%	4.4%	5.9%	7.1%	9.3%	17.2%									
2012	2.8%	3.3%	3.9%	4.4%	5.9%	7.1%	9.3%	17.2%								
2013	2.4%	2.8%	3.3%	3.9%	4.4%	5.9%	7.1%	9.3%	17.2%							
2014	2.2%	2.4%	2.8%	3.3%	3.9%	4.4%	5.9%	7.1%	9.3%	17.2%						
2015	2.1%	2.2%	2.4%	2.8%	3.3%	3.9%	4.4%	5.9%	7.1%	9.3%	17.2%					
2016	2.0%	2.1%	2.2%	2.4%	2.8%	3.3%	3.9%	4.4%	5.9%	7.1%	9.3%	17.2%				
2017	1.8%	2.0%	2.1%	2.2%	2.4%	2.8%	3.3%	3.9%	4.4%	5.9%	7.1%	9.3%	17.2%			
2018	1.7%	1.8%	2.0%	2.1%	2.2%	2.4%	2.8%	3.3%	3.9%	4.4%	5.9%	7.1%	9.3%	17.2%		
2019	1.6%	1.7%	1.8%	2.0%	2.1%	2.2%	2.4%	2.8%	3.3%	3.9%	4.4%	5.9%	7.1%	9.3%	17.2%	
2020	1.5%	1.6%	1.7%	1.8%	2.0%	2.1%	2.2%	2.4%	2.8%	3.3%	3.9%	4.4%	5.9%	7.1%	9.3%	17.2%

Taylor-Walker Consulting, LLC

**Exhibit 3
Sheet 7.1**

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund**

Calendar Year	6/30	Inflation rate			3.0%			Accident Year Ending 6/30:			2000	2001	2002	2003	2004
		1991	1992	1993	1994	1995	1996	1997	1998	1999					
1991	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000
1992	0.993	0.943	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971
1993	0.915	0.943	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971
1994	0.888	0.915	0.943	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000
1995	0.863	0.888	0.915	0.943	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971
1996	0.837	0.863	0.888	0.915	0.943	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000
1997	0.813	0.837	0.863	0.892	0.915	0.943	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000	0.971
1998	0.799	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000	0.971	1.000	0.971	1.000	0.971	1.000
1999	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000	0.971	1.000	0.971	1.000	0.971
2000	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000	0.971	1.000	0.971	1.000
2001	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000	0.971	1.000	0.971
2002	0.701	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000	0.971	1.000
2003	0.681	0.701	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000	0.971
2004	0.661	0.681	0.701	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000
2005	0.642	0.661	0.681	0.701	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971
2006	0.623	0.642	0.661	0.681	0.701	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943
2007	0.605	0.623	0.642	0.661	0.681	0.701	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915
2008	0.587	0.605	0.623	0.642	0.661	0.681	0.701	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.893
2009	0.570	0.587	0.605	0.623	0.642	0.661	0.681	0.701	0.722	0.744	0.766	0.789	0.813	0.837	0.863
2010	0.554	0.570	0.587	0.605	0.623	0.642	0.661	0.681	0.701	0.722	0.744	0.766	0.789	0.813	0.837
2011	0.538	0.554	0.570	0.587	0.605	0.623	0.642	0.661	0.681	0.701	0.722	0.744	0.766	0.789	0.813
2012	0.522	0.538	0.554	0.570	0.587	0.605	0.623	0.642	0.661	0.681	0.701	0.722	0.744	0.766	0.789
2013	0.507	0.522	0.538	0.554	0.570	0.587	0.605	0.623	0.642	0.661	0.681	0.701	0.722	0.744	0.766
2014	0.492	0.507	0.522	0.538	0.554	0.570	0.587	0.605	0.623	0.642	0.661	0.681	0.701	0.722	0.744
2015	0.478	0.492	0.507	0.522	0.538	0.554	0.570	0.587	0.605	0.623	0.642	0.661	0.681	0.701	0.722
2016	0.464	0.478	0.492	0.507	0.522	0.538	0.554	0.570	0.587	0.605	0.623	0.642	0.661	0.681	0.701
2017	0.450	0.464	0.478	0.492	0.507	0.522	0.538	0.554	0.570	0.587	0.605	0.623	0.642	0.661	0.681
2018	0.437	0.450	0.464	0.478	0.492	0.507	0.522	0.538	0.554	0.570	0.587	0.605	0.623	0.642	0.661
2019	0.424	0.437	0.450	0.464	0.478	0.492	0.507	0.522	0.538	0.554	0.570	0.587	0.605	0.623	0.642
2020															

Notes: Figures based on selected inflation rate.

Exhibit 3
Sheet 7.2

Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Inflation Factors

Calendar Year Ending	Accident Year Ending 6/30:															
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1991																
1992																
1993																
1994																
1995																
1996																
1997																
1998																
1999																
2000																
2001																
2002																
2003																
2004																
2005	1.000															
2006	0.971	1.000														
2007	0.943	0.971	1.000													
2008	0.915	0.943	0.971	1.000												
2009	0.888	0.915	0.943	0.971	1.000											
2010	0.863	0.888	0.915	0.943	0.971	1.000										
2011	0.837	0.863	0.888	0.915	0.943	0.971	1.000									
2012	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000								
2013	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000							
2014	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000						
2015	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000					
2016	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000				
2017	0.701	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000			
2018	0.681	0.701	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000		
2019	0.661	0.681	0.701	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000	
2020	0.642	0.661	0.681	0.701	0.722	0.744	0.766	0.789	0.813	0.837	0.863	0.888	0.915	0.943	0.971	1.000

Taylor-Walker Consulting, LLC

Taylor-Walker Consulting, LLC

**Exhibit 3
Sheet 8.1**

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Percentage of Losses Paid in Each Year**

Calendar Year Ending 6/30	Accident Year Ending 6/30:													
	Prior 1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
1991	82.8%	17.2%	9.5%	17.2%	9.5%	17.2%	9.5%	17.2%	9.5%	17.2%	9.5%	17.2%	9.5%	17.2%
1992	73.2%	9.5%	7.5%	9.5%	7.5%	9.5%	7.5%	17.2%	9.5%	17.2%	9.5%	17.2%	9.5%	17.2%
1993	65.7%	7.5%	6.5%	7.5%	6.5%	7.5%	6.5%	17.2%	7.5%	17.2%	7.5%	17.2%	7.5%	17.2%
1994	59.1%	6.5%	5.0%	6.5%	5.0%	6.5%	5.0%	17.2%	6.5%	17.2%	6.5%	17.2%	6.5%	17.2%
1995	54.2%	5.0%	4.5%	5.0%	4.5%	5.0%	4.5%	17.2%	5.0%	17.2%	5.0%	17.2%	5.0%	17.2%
1996	49.7%	4.5%	4.0%	4.5%	4.0%	4.5%	4.0%	17.2%	4.5%	17.2%	4.5%	17.2%	4.5%	17.2%
1997	45.7%	4.0%	3.5%	4.0%	3.5%	4.0%	3.5%	17.2%	4.0%	17.2%	4.0%	17.2%	4.0%	17.2%
1998	42.2%	3.5%	3.0%	4.0%	3.5%	4.0%	3.5%	17.2%	3.5%	17.2%	3.5%	17.2%	3.5%	17.2%
1999	39.2%	3.0%	3.5%	4.0%	4.0%	4.5%	5.0%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2000	36.3%	2.9%	3.0%	3.5%	4.0%	4.5%	5.0%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2001	33.5%	2.8%	2.9%	3.0%	4.0%	4.5%	5.0%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2002	30.8%	2.7%	2.8%	2.9%	3.0%	3.5%	4.0%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2003	28.2%	2.6%	2.7%	2.8%	2.9%	3.0%	3.5%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2004	25.7%	2.5%	2.6%	2.6%	2.7%	2.8%	2.9%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2005	23.3%	2.4%	2.5%	2.6%	2.7%	2.8%	2.9%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2006	21.0%	2.3%	2.4%	2.5%	2.6%	2.7%	2.8%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2007	18.8%	2.2%	2.3%	2.4%	2.5%	2.6%	2.7%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2008	16.7%	2.1%	2.2%	2.3%	2.4%	2.5%	2.6%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2009	14.7%	2.0%	2.1%	2.2%	2.3%	2.4%	2.5%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2010	12.8%	1.9%	2.0%	2.1%	2.2%	2.3%	2.4%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2011	11.0%	1.8%	1.9%	2.0%	2.1%	2.2%	2.3%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2012	9.3%	1.7%	1.8%	1.9%	2.0%	2.1%	2.2%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2013	7.7%	1.6%	1.7%	1.8%	1.9%	2.0%	2.1%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2014	6.2%	1.5%	1.6%	1.7%	1.8%	1.9%	2.0%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2015	5.0%	1.2%	1.5%	1.6%	1.7%	1.8%	1.9%	17.2%	6.5%	17.2%	9.5%	17.2%	9.5%	17.2%
2016	3.8%	1.2%	1.2%	1.2%	1.5%	1.6%	1.7%	1.8%	1.9%	1.9%	2.0%	2.1%	2.2%	2.3%
2017	2.7%	1.1%	1.2%	1.2%	1.5%	1.6%	1.7%	1.8%	1.9%	2.0%	2.1%	2.2%	2.3%	2.4%
2018	1.6%	1.1%	1.1%	1.2%	1.2%	1.5%	1.6%	1.7%	1.8%	1.9%	2.0%	2.1%	2.2%	2.4%
2019	0.6%	1.0%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.5%	1.6%	1.7%	1.8%	2.0%	2.3%
2020	0.0%	0.6%	1.0%	1.1%	1.1%	1.1%	1.2%	1.2%	1.5%	1.6%	1.7%	1.8%	2.1%	2.2%
Total	100.0%	99.4%	98.4%	97.3%	96.2%	95.0%	93.8%	92.3%	90.7%	89.0%	87.2%	85.3%	83.3%	81.2%

Notes: Percentages based on selected pattern in Sheet 9.

Exhibit 3
Sheet 8.2

Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Percentage of Losses Paid in Each Year

Calendar Year Ending 6/30	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1991																
1992																
1993																
1994																
1995																
1996																
1997																
1998																
1999																
2000																
2001																
2002																
2003																
2004																
2005	17.2%															
2006	9.5%	17.2%														
2007	7.5%	9.5%	17.2%													
2008	6.5%	7.5%	9.5%	17.2%												
2009	5.0%	6.5%	7.5%	9.5%	17.2%											
2010	4.5%	5.0%	6.5%	7.5%	9.5%	17.2%										
2011	4.0%	4.5%	5.0%	6.5%	7.5%	9.5%	17.2%									
2012	3.5%	4.0%	4.5%	5.0%	6.5%	7.5%	9.5%	17.2%								
2013	3.0%	3.5%	4.0%	4.5%	5.0%	6.5%	7.5%	9.5%	17.2%							
2014	2.9%	3.0%	3.5%	4.0%	4.5%	5.0%	6.5%	7.5%	9.5%	17.2%						
2015	2.8%	2.9%	3.0%	3.5%	4.0%	4.5%	5.0%	6.5%	7.5%	9.5%	17.2%					
2016	2.7%	2.8%	2.9%	3.0%	3.5%	4.0%	4.5%	5.0%	6.5%	7.5%	9.5%	17.2%				
2017	2.6%	2.7%	2.8%	2.9%	3.0%	3.5%	4.0%	4.5%	5.0%	6.5%	7.5%	9.5%	17.2%			
2018	2.5%	2.6%	2.7%	2.8%	2.9%	3.0%	3.5%	4.0%	4.5%	5.0%	6.5%	7.5%	9.5%	17.2%		
2019	2.4%	2.5%	2.6%	2.7%	2.8%	2.9%	3.0%	3.5%	4.0%	4.5%	5.0%	6.5%	7.5%	9.5%	17.2%	
2020	2.3%	2.4%	2.5%	2.6%	2.7%	2.8%	2.9%	3.0%	3.5%	4.0%	4.5%	5.0%	6.5%	7.5%	9.5%	17.2%
Total	79.0%	76.7%	74.3%	71.8%	69.2%	66.5%	63.7%	60.8%	57.8%	54.3%	50.3%	45.8%	40.8%	34.3%	26.8%	17.2%

Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Selected Loss Payment Pattern

Exhibit 3
Sheet 9

Maturity	(1) KY NCCI Paid Loss Dev. Factor	(2) Cumulative Percent Paid	(3) Incremental Percent Paid	(4) Selected Percent Paid
12-Ult	4.433	22.6%	22.6%	17.2%
24-Ult	2.219	45.1%	22.5%	9.5%
36-Ult	1.755	57.0%	11.9%	7.5%
48-Ult	1.559	64.1%	7.2%	6.5%
60-Ult	1.468	68.1%	4.0%	5.0%
72-Ult	1.411	70.9%	2.8%	4.5%
84-Ult	1.368	73.1%	2.2%	4.0%
96-Ult	1.336	74.8%	1.7%	3.5%
108-Ult	1.308	76.5%	1.6%	3.0%
120-Ult	1.285	77.8%	1.4%	2.9%
132-Ult	1.267	78.9%	1.1%	2.8%
144-Ult	1.250	80.0%	1.1%	2.7%
156-Ult	1.233	81.1%	1.1%	2.6%
168-Ult	1.220	82.0%	0.9%	2.5%
180-Ult	1.206	82.9%	1.0%	2.4%
192-Ult	1.194	83.8%	0.8%	2.3%
204-Ult	1.183	84.5%	0.8%	2.2%
216-Ult	1.173	85.3%	0.7%	2.1%
228-Ult	1.162	86.0%	0.8%	2.0%
240-Ult	1.153	86.8%	0.7%	1.9%
252-Ult	1.144	87.4%	0.7%	1.8%
264-Ult	1.135	88.1%	0.7%	1.7%
276-Ult	1.127	88.7%	0.6%	1.6%
288-Ult	1.119	89.3%	0.6%	1.5%
300-Ult	1.112	89.9%	0.6%	1.2%
312-Ult	1.106	90.4%	0.5%	1.2%
324-Ult	1.100	90.9%	0.5%	1.1%
336-Ult	1.094	91.4%	0.5%	1.1%
348-Ult	1.088	91.9%	0.5%	1.0%
360-Ult	1.083	92.3%	0.4%	0.6%

Notes: (1) From NCCI Annual Statistical Bulletin.
(2) = 1/(1)
(3) = (2) - (2) Prior
(4) Selected based on (3) and understanding of when the UEF becomes responsible for claims.

**Kentucky Workers Compensation Funding Commission
Uninsured Employers Fund
Historical Benefit Payments**

**Exhibit 3
Sheet 10**

(1)

Fiscal Calendar Year Ending 6/30	Historical Benefit Payments
2009	5,388,964
2010	4,396,390
2011	5,469,572
2012	5,415,837
2013	4,301,008
2014	4,204,640
2015	4,238,109
2016	4,583,568
2017	5,363,640
2018	4,551,779
2019	4,088,776
2020	5,696,794

Notes: (1) Provided by client.